

City of Santa Clara City Clerk's Office

1500 Warburton Avenue Santa Clara, CA 95050 (408) 615-2220 Clerk@santaclaraca.gov



Running for Office in 2008

How to Get Started

General Municipal Election November 4, 2008



CITY OF SANTA CLARA CITY CLERK'S OFFICE



May 1, 2008

Dear Potential Candidate,

Congratulations on your consideration of running for elected office in Santa Clara. The role of a candidate is one of great responsibility and one of the cornerstones of democracy.

There are many requirements associated with being a candidate. This guide has been prepared to assist you in understanding some of these requirements. It contains information you need to get started with your campaign.

You will be provided a more comprehensive guide should you choose to move forward in the electoral process. This will be given to you if you decide to pick up your official nomination papers during the filing period, and will contain additional information.

Please note that it is the sole responsibility of the candidate to ensure that they comply with the laws and regulations surrounding the election process. The City of Santa Clara does not serve as counsel to individual candidates, and the information herein should not be construed as legal advice.

However, it is the goal of the Clerk's Office to offer information that will make the process of seeking office easier to navigate and more approachable for you as a candidate. If you have any questions or need additional information, please contact me at (408) 615-2220 or the FPPC directly at 866-275-3772.

Sincerely,

Rod Diridon, Jr.,

City Clerk and Auditor

Office of the City Clerk 1500 Warburton Avenue Santa Clara, CA 95050 (408) 615-2220 (408) 241-6771 – FAX rdiridon@santaclaraca.gov

GENERAL INFORMATION

CITY OF SANTA CLARA PRELIMINARY ELECTION CALENDAR

General Municipal Election November 4, 2008

May 1, 2008: <u>ELECTION CYCLE BEGINS</u>: Receipt and expenditure of

contributions may begin after signing (in City Clerk's Office) the Declaration of Candidacy Statement indicating the acceptance or

rejection of the campaign expenditure limit.

July 14, 2008: NOMINATION PERIOD BEGINS: First day candidates may

pick up and file nomination papers with the City Clerk.

July 31, 2008 (Thurs): SEMI-ANNUAL CAMPAIGN DISCLOSURE STATEMENT

<u>DUE (1/1/08 - 6/30/08)</u>: Semi-annual statement – file with the City Clerk. Deadline for financial disclosure report covering the

period of 1/1/08 through 6/30/08.

August 8, 2008: NOMINATION PERIOD CLOSES: 5:00 p.m. deadline to file

(5:00 p.m.) all necessary nomination papers in the City Clerk's Office.

WITHDRAWAL OF CANDIDATE: Candidate may withdraw

his or her candidacy until 5:00 p.m. on this date.

August 9 – 13, 2008: EXTENSION PERIOD: If an incumbent fails to file papers

(5:00 p.m.) by August 8, there will be a 5 calendar day extension during which

any candidate, other than the incumbent, may file or withdraw from said office. Nomination papers will be due by 5:00 p.m. on the

final date of the extension period.

August 14, 2008: RANDOMIZED ALPHABET DRAWING: The Secretary of

State will conduct a drawing of the letters of the alphabet to

determine the order in which candidate names appear on the ballot.

October 6, 2008 (Mon): 1st PRE-ELECTION CAMPAIGN DISCLOSURE

STATEMENT DUE (7/1/08 – 9/30/08): First Pre-election statement – file with the City Clerk. Deadline for financial disclosure report covering the period of 7/1/08 through 9/30/08.

October 23, 2008 (Thurs): 2nd PRE-ELECTION CAMPAIGN DISCLOSURE

STATEMENT DUE (10/1/08 – 10/18/08): Second Pre-election

statement – file with the City Clerk. Deadline for financial

disclosure report covering the period of 10/1/08 through 10/18/08.

October 24, 2008 (Fri): LAST DAY FOR RECEIPT AND DEPOSIT OF

CONTRIBUTIONS: Pursuant to City Campaign Finance

Ordinance, no contribution may be accepted and/or deposited after

this date.

October 28, 2008 (Tues): 3rd PRE-ELECTION CAMPAIGN DISCLOSURE

STATEMENT DUE (10/19/09 – 10/24/08): Third Pre-election statement - file with the City Clerk. Deadline for financial disclosure report for period of 10/19/08 through 10/24/08.

November 4, 2008: ELECTION DAY: Polls are open 7:00 a.m. to 8:00 p.m.

December 31, 2008: ELECTION CYCLE ENDS:

Last day to pay campaign expenses, disperse surplus funds and/or

forgive loans.

January 31, 2009 (Wed): SEMI-ANNUAL CAMPAIGN DISCLOSURE STATEMENT

<u>DUE (10/25/08 – 12/31/08)</u>: Semi-annual Statement – file with the City Clerk. Deadline for financial disclosure report for period

10/24/08 through 12/31/08.

* Please note, some dates are subject to change on notice of the City Clerk's Office.

OFFICES TO BE VOTED UPON

Four-Year Terms

Council Member Seat No. 3
Council Member Seat No. 4
Council Member Seat No. 6
Council Member Seat No. 7
Chief of Police
City Clerk

ELIGIBILITY AND QUALIFICATIONS OF CANDIDATES

The candidate must be at least 18 years of age by Election Day, a resident and a registered voter of the City of Santa Clara at the time the nomination papers are issued to him or her.

FUNCTIONS OF THE CITY CLERK AND THE SANTA CLARA COUNTY REGISTRAR OF VOTERS

The City of Santa Clara has contracted with the Santa Clara County Registrar of Voters to conduct the City's General Municipal Election on November 4, 2008.

The City Clerk is responsible for the issuance and acceptance of nomination papers, the publication of necessary legal notices, campaign disclosure filing requirements, and City measures. The City Clerk issues the certificate of election and administers the oath of office to the successful candidates.

The Registrar of Voters verifies signatures on nomination papers and petitions, arranges for the printing and mailing of all necessary voter information, and locates and staffs all the polling places. Additionally, the Registrar of Voters is responsible for all Election Day activities, including the counting of the votes cast, and postelection activities such as the canvass of the returns and certification of election results.

FINANCIAL DISCLOSURE INFORMATION

CAMPAIGN FINANCE DISCLOSURE INFORMATION

POLITICAL REFORM ACT OF 1974

All candidates for municipal offices, all local elected officeholders, and all committees supporting or opposing state or local candidates or ballot measures, are subject to the provisions of the state Political Reform Act of 1974 (Act), which went into effect January, 1975. The statutory requirements of the Act are contained in Section 81000 through 91015 of the California Government Code. Manuals, forms, information and assistance relating to campaign reporting obligations under the Act may be obtained from the City Clerk. You may also contact the Technical Assistance Division of the Fair Political Practices Commission (FPPC) at (916) 322-5660, or (866) 275-3772, or visit their website at www.fppc.ca.gov.

The Act requires candidates to file campaign statements disclosing contributions received and expenditures made. Throughout the course of this municipal election, candidates will be required to file with the City Clerk various Campaign Disclosure forms required under the Act. The Fair Political Practices Commission (FPPC) has prepared an information manual, which will be made available to the candidate. A candidate should obtain the manual as early as possible in his/her campaign and make certain that the candidate, the committee treasurer, and other personnel involved in the financial side of the campaign are fully aware of their responsibilities under the law. Reporting forms (and manuals for candidates who have not already obtained them) will be routinely issued to all candidates during the nomination period.

Disclosure forms regularly **change**. New forms have been introduced and some have been revised by the FPPC in order to simplify the filing of campaign statements. Those who are already familiar with the filing of campaign statements should read carefully and take note of the introduction of new forms and the revision of older forms. All statements filed are a matter of public record. They may be inspected at the office of the City Clerk by anyone, and copies may be purchased at ten cents (\$.10) per page.

Candidates and committee treasurers should keep complete records and be prepared to submit supporting documents if such are required by the City Clerk or the FPPC. Recordkeeping instructions are included in the FPPC information manual.

Violations of the campaign disclosure law may result in criminal prosecution by the state Attorney General or the county District Attorney; or civil action by the FPPC, the District Attorney, or a private citizen. Failure to file statements by the prescribed deadline can lead to late filing penalties and/or civil or criminal action. A statement, which is mailed, is considered filed on the date of the postmark, if it is sent by first-class mail.

CAMPAIGN DISCLOSURE FOR CANDIDATES HOW TO GET STARTED

This is an introduction to some of the most common <u>campaign disclosure forms</u> filed by candidates early in their campaigns. It should be used as a supplement to (and not a replacement for) the Fair Political Practices Campaign Disclosure Manual 2. The forms identified below are required by the Political Reform Act and by the City of Santa Clara Campaign Finance Reform Act. It is important to note that candidates may need to file a number of other documents in addition to campaign disclosure forms (e.g., Declaration of Intentions, Nomination Papers, Statements of Economic Interests).

CITY FORM

DECLARATION OF CANDIDACY STATEMENT

All candidates are required to complete the City of Santa Clara's Declaration of Candidacy Statement. This Statement requires the candidate to commit to whether or not they will participate in the City's Voluntary Expenditure Limit Program. The form must be signed before the candidate accepts campaign contributions or makes expenditures for his or her campaign. The form is available in the City Clerk's Office.

WHAT: Declaration of Candidacy Statement (City Form)

This form indicates for which office the candidate seeks election and whether or not

he or she accepts the voluntary expenditure limit.

WHEN: The Declaration of Candidacy Statement is filed at the same time as the Form 501, and

must be filed prior to the solicitation or receipt of any contribution or expenditure of

funds, including personal funds, used for campaign purposes.

WHERE: File the original with the City Clerk's Office

FAIR POLITICAL PRACTICES FORMS

Candidates who DO NOT anticipate spending or receiving over \$1,000

WHAT: Form 470 (Officeholder and Candidate Campaign Statement-Short Form)

This form may be used when a candidate does not have a controlled committee and does not anticipate raising or spending \$1,000 or more (excluding ballot

statement fees) in a calendar year.

WHEN: Must be filed no later than the deadline for the first required campaign disclosure

statement. (May be filed earlier).

WHERE: File the original and one copy with your City Clerk.

Candidates who DO anticipate spending or receiving OVER \$1,000

WHAT: Form 501 (Candidate Intention Statement)

WHEN: Form 501 must be filed prior to the solicitation or receipt of any contribution, or

expenditure of any personal funds used for campaign purposes (excluding ballot

statement fees).

WHERE: File the original with the City Clerk's Office

WHAT: Form 410 (Statement of Organization Recipient Committee)

WHEN: Must be filed within 10 days of receiving \$1,000 in contributions. (May be filed

earlier). After Form 410 is filed, you will receive notification from the Secretary of State's Office of the identification number assigned to your campaign committee.

WHERE: File the original and one copy with the Secretary of State, and one copy with the

City Clerk.

WHAT: Form 460 (Recipient Committee Campaign Statement) – this form is used by

a candidate who has a controlled committee, or has raised or spent or will raise or

spend \$1,000 or more during a calendar year.

WHEN: Must be filed according to applicable filing schedules.

WHERE: File the original and one copy with your City Clerk.

REGULATIONS PERTAINING TO CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

SUMMARY OF CITY OF SANTA CLARA CAMPAIGN FINANCE ORDINANCE [City Code Chapter 2.130]

The Campaign Finance Ordinance was adopted by the City Council in January 2000 and has been amended twice. The Ordinance's intent is (1) to prevent the appearance of corruption that flows from large political campaign contributions, and (2) to assure citizens that their contributions will not be overwhelmed by large contributions from entities, special interest groups, and individuals. The Ordinance grants incentives to the candidates to limit their campaign expenditures and thus lessen the time spent on fund raising. Other important features of the Ordinance are an additional disclosure report of contribution sources one week before the election, a mandate that deposit of contributions cease 11 days before the election, and a requirement that campaign expenses be paid by December 31st following the election. All of the Ordinance's provisions are intended to enhance the public trust in the electoral process.

ELECTION CYCLE:

- Defined as an 8-month period for each election date. (i.e., for a November election - May 1st to December 31st of that year).
- Cutoff date for last deposit of contributions 11 days prior to election.
- Last day to pay campaign expense bills by the December 31st following a November election.

LIMITATION ON CONTRIBUTIONS:

• Candidates who do not agree to accept the voluntary campaign expenditure limit (described in this guide) may accept no more than \$250 from any one donor. Candidates who agree to accept the voluntary campaign expenditure limit may accept no more than \$500 from any one donor.

> **NOTE:** Regardless of acceptance of the voluntary campaign expenditure limit, City Board and Commission Members may be limited by State law to \$250 from a source that has had or will have an application for a license, permit or other entitlement appearing before them. It is advised that any candidate who serves on City Board or Commission carefully read Section 84308 of the Government Code, included in this guide.

- No limitation on candidates' contributions to own campaign (including loans to themselves).
- No fund transfers between candidates.

- Loans from a third party are subject to the campaign contribution limits unless the loan is from a commercial lending institution.
- Contributions cannot be made on behalf of another.

MONITORING OF CAMPAIGN CONTRIBUTIONS:

- One campaign committee and one checking account.
- Disclosure of source of contributions and expenditures exceeding \$99.99.
- Monitoring non-disclosed contributions from a source not to exceed \$99.99.
- Cash contributions of more than \$99.99 are not allowed.
- Candidate's records/reports must reflect name, address, occupation and employer of contributors.
- City required Third Pre-Election Campaign Statement to be submitted 7 calendar days before the election.

VOLUNTARY CAMPAIGN EXPENDITURE LIMIT:

The decision of whether or not to participate in the program is made before the candidate accepts contributions to his or her campaign. If candidate agrees to an expenditure limit for the 2008 election cycle of \$29,889:

- The single source contribution amount goes from \$250 to \$500.
- City pays ½ the cost of the candidate's statement of qualifications printed in the ballot pamphlet.
- The sample ballot will designate the candidate was a participant in the Voluntary Campaign Expenditure Limit program.
- The fact of a candidate's participation will be publicly disseminated in a newspaper of general circulation, on the City's website, government access cable television channel, and posted in the City's public libraries.
- Withdrawal from the program is permitted (within 72 hours of the date nomination forms are to be filed) if a rival candidate indicates when filing nomination papers they will not participate in the program.
- Withdrawal from the program is permitted if a rival candidate violates the expenditure limit.

EFFECT OF VIOLATIONS OF THE VOLUNTARY CAMPAIGN EXPENDITURE LIMIT:

- The rival candidates are relieved of adherence to the Voluntary Campaign Expenditure Limit.
- After a trial, the trier of fact may determine the violation had a material effect on the election. The consequence of that determination may result in loss of office and a disqualification from holding office for a period of 4 years.
- Potential criminal prosecution.

- Resident of City may institute a civil action within 2 years. Recovery of 50% of up to 3 times the amount of the unlawful contribution or expenditure.
- Resident of City may sue for injunctive relief to enjoin violations.
- Court costs (including reasonable attorney fees) may be awarded to prevailing party resident bringing the action or the candidate accused of violating Chapter 2.130 of the City Code.

2008 CAMPAIGN DISCLOSURE FILING SCHEDULE

Filing Deadline	Type of Statement	Period Covered by Statement		
July 31, 2008	Semi-Annual	1/1/08 - 6/30/08		
October 6, 2008	First Pre-Election	7/1/08 - 9/30/08		
October 23, 2008	Second Pre-Election	10/1/08 - 10/18/08		
October 28, 2008	City Required Pre-Election	10/19/08 - 10/24/08		
January 31, 2009	Semi-Annual	10/25/08 - 12/31/08		

BOARD AND COMMISSION MEMBER FUNDRAISING RESTRICTIONS

GOVERNMENT CODE SECTION 84308

§ 84308. Contributions prohibited from persons with pending applications for licenses, permits or other entitlements; amount; disclosure by all parties; construction.

- (a) The definitions set forth in this subdivision shall govern the interpretation of this section.
- (1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
- (2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency.
- (3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of government, local governmental agencies whose members are directly elected by the voters, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.
- (4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.
- (5) "License, permit, or other entitlement for use" means all business, professional, trade and land use licenses and permits and all other

entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.

- (6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.
- (b) No officer of an agency shall accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition shall apply regardless of whether the officer accepts, solicits, or directs the contribution for himself or herself, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
- (c) Prior to rendering any decision in a proceeding involving a license, permit or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant shall disclose that fact on the record of the proceeding. No officer of an agency shall make, participate in making, or in any way attempt to use his or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or his or her agent, or from any participant, or his or her agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.

If an officer receives a contribution which would otherwise require disqualification under this section, returns the contribution within 30 days from the time he or she knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, he or she shall be permitted to participate in the

proceeding.

- (d) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party, or his or her agent, to any officer of the agency. No party, or his or her agent, to a proceeding involving a license, permit, or other entitlement for use pending before any agency and no participant, or his or her agent, in the proceeding shall make a contribution of more than two hundred fifty dollars (\$250) to any officer of that agency during the proceeding and for three months following the date a final decision is rendered by the agency in the proceeding. When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in subdivisions (b), (c), and this subdivision.
- (e) Nothing in this section shall be construed to imply that any contribution subject to being reported under this title shall not be so reported.

INTEROFFICE MEMORANDUM Santa Clara City Attorney's Office

DATE:

April 18, 2008

TO:

Rod Diridon, Jr., City Clerk

FROM:

Helene L. Leichter, City Attorney

SUBJECT:

Ethical Campaigning - Candidates for City Office

This memorandum highlights several laws relating to ethical campaigning in Santa Clara. Candidates should note that this is not an exhaustive list of applicable laws, and should not be construed as legal advice regarding all campaign laws or their application to a particular situation. Candidates are encouraged to seek legal advice from their own attorney.

In general, the City of Santa Clara, as a charter city, may establish its own election rules. To the extent it does not, the California Elections Code controls. The City Clerk is the Elections Official for the City of Santa Clara.²

1. Limitations on Political Signs³

- ▶ A "political sign" is a sign announcing, supporting or opposing a candidate or issue in connection with any national, state or local election.
- No sign permits are required.
- Signs cannot exceed 16 square feet in size, except for legal billboards.
- ➤ Signs cannot be placed more than 90 days before the November 4, 2008 election, which is Wednesday, August 6, 2008.
- ▶ Signs must be taken down no later than 10 days after the election, which is Friday, November 14, 2008.
- ► Signs cannot be a physical danger to persons or property and cannot obstruct sight lines or constitute a physical obstruction to vehicular or pedestrian traffic.
- Signs cannot be placed on City property or City structures, e.g., poles, fences, buildings in the public right-of-way, median strips on streets, and the mow/park strips between the curb and sidewalk.
- ▶ Signs may be placed on private property only with the consent of the property owner.
- Signs that violate these prohibitions are subject to summary removal by the City.

¹ Cal. Const. art. XI, § 5(b); City Charter §§ 600.01, 700.

² Elections Code § 320; City Charter §903.

³ City Code of the City of Santa Clara § 18.80.180.

2. Campaign Contributions and Expenditures

The City of Santa Clara adopted a Political Campaign Finance Reform Act, found in Chapter 2.130 of the Code of the City of Santa Clara. Chapter 2.130 limits campaign contributions and expenditures, and addresses other campaign related issues. A few highlights of these provisions are set forth below.

Basic Provisions

- ▶ The Campaign Cycle for the November 4, 2008, election is May 1st to December 31st.
- The cutoff date for the last deposit of campaign contributions is 11 calendar days prior to the election, which is Friday, October 24, 2008.
- ▶ Candidates must file an additional pre-election campaign statement on the appropriate standard form at least 7 calendar days prior to the election, which is Tuesday. October 28, 2008.
- ▶ The last day to pay campaign expenses is Wednesday. December 31, 2008.

Limitations on Contributions

- ▶ \$100 cash donation or expenditure limit please note that the cash amount from a single source is cumulative.
- ▶ \$250 from a single source for each campaign cycle unless the candidate participates in the Voluntary Campaign Expenditure Limit Program, and then allowable contributions from a single source are increased to \$500.
- ▶ There is no limitation on a candidate's contributions to his/her own campaign.
- ▶ No fund transfers are allowed between candidates and/or committees controlled by candidates.
- ► Loans are subject to the campaign contribution limits unless they are a legitimate loan (not an extension of credit) from a commercial lending institution.
- ▶ Loans from a candidate's personal funds must be repaid in full by the end of the campaign cycle, December 31, 2008.
- ▶ Contributions cannot be made on behalf of another individual.

Voluntary Campaign Expenditure Limit

If a candidate agrees to the 2008 expenditure limit of \$29,889, the following apply:

- ► The maximum contribution amount from a single source is increased to \$500.
- ► The City pays one-half of the cost of the candidate's statement of qualifications printed in the ballot pamphlet.

- ► The sample ballot will identify the candidate as a participant in the Voluntary Campaign Expenditure Limit program.
- ► A candidate's participation in the Voluntary Campaign Expenditure Limit program will be published in a newspaper of general circulation, on the City's website, government access cable television channel, public libraries, public offices, etc.
- ► The decision whether to participate in the voluntary campaign contribution program is made at the time the candidate files the declaration of nomination papers.
- ▶ Withdrawal from the program is permitted within 72 hours of the date nomination forms are to be filed if a rival candidate indicates in nomination papers they will not participate in the program.
- ▶ Withdrawal from the program is permitted if a rival candidate violates the expenditure ceiling.

3. Restrictions on Political Activity of Government Employees

Although political activity is generally a constitutionally protected activity, there are well-recognized exceptions that restrict the political activities of public employees. City of Santa Clara officials, employees and candidates have restrictions imposed on their political activity by the California Government Code. These include prohibition of:

- Engaging in political activities during work hours or on City property.⁴
- ▶ Use of City equipment, facilities, materials or supplies for any political activity or purpose.⁵
- Participating in political activities while in uniform.⁶
- Solicitation of funds or contributions, either directly or indirectly, from City employees for political activities. However, a general mailing to a significant segment of the public may be incidentally delivered to City employees.⁷
- Engaging in political activity or action that would make it appear that the employee is representing the City of Santa Clara rather than expressing an opinion as a private citizen, e.g., identifying oneself by using City title or position, using an employee identification card, or using indicia of office such as letterhead, etc. 8

Helene L. LEICHTER

City Attorney

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⁴ Government Code § 3207.

⁵ Stanson v. Mott, 17 Cal.3d 206 (1976); City Manager Directive #82.

⁶ Government Code § 3206.

⁷Government Code § 3205.

⁸ City Manager Directive #82.

ETHICAL CAMPAIGNING

INTRODUCTION TO THE CITY'S ETHICAL CAMPAIGNING PROGRAM

The City of Santa Clara has adopted the "City's Code of Ethics and Values" to promote and maintain the highest standards of personal and professional conduct in City government. Since 2000 the City, working with representatives of the Santa Clara University Markkula Center for Applied Ethics, has encouraged candidates in the City's municipal elections to use the above-mentioned Code of Ethics and Values as a guideline for their campaigns. In August 2002, the City Council approved the document entitled "A Council of Trust: Principles, Norms, Standards, and Best Practices" which describes a set of norms to guide those running for elected office.

The City is continuing its Ethical Campaigning Program for the fifth consecutive election cycle. The pre- and post-election workshops on "conducting ethical political campaigns" for all candidates, volunteers and others will be offered again this year.

The City will also continue to implement the Vote Ethics Program geared toward citizens. Using a variety of communication mediums, voters will be offered additional resources and information to help them reflect on their individual ideology when selecting a candidate for the November 2008 election.

The "City's Code of Ethics and Values" and the "Council of Trust: Principles, Norms, Standards, and Best Practices" are included in this guide. Additional information regarding the Vote Ethics Program is available at the City Clerk's Office.



City of Santa Clara, CA Code of Ethics and Values



PREAMBLE

The proper operation of democratic government requires that decision-makers be independent, impartial, and accountable to the people they serve. The City of Santa Clara has adopted this Code of Ethics and Values to promote and maintain the highest standards of personal and professional conduct in the City's government. All elected and appointed officials, City employees, volunteers, and others who participate in the city's government are required to subscribe to this Code, understand how it applies to their specific responsibilities, and practice its eight core values in their work. Because we seek public confidence in the City's services and public trust of its decision-makers, our decisions and our work must meet the most demanding ethical standards and demonstrate the highest levels of achievement in following this code.

- 1. As a Representative of the City of Santa Clara, I will be ethical. In practice, this value looks like:
 - a.) I am trustworthy, acting with the utmost integrity and moral courage.
 - b.) I am truthful, do what I say I will do, and am dependable.
 - c.) I make impartial decisions, free of bribes, unlawful gifts, narrow political interests, and financial and other personal interests that impair my independence of judgment or action.
 - d.) I am fair, distributing benefits and burdens according to consistent and equitable criteria.
 - e.) I extend equal opportunities and due process to all parties in matters under consideration. If I engage in unilateral meetings and discussions, I do so without making voting decisions.
 - f.) I show respect for persons, confidences, and information designated as "confidential."
 - g.) I use my title(s) only when conducting official City business, for information purposes, or as an indication of background and expertise, carefully considering whether I am exceeding or appearing to exceed my authority.
- 2. As a Representative of the City of Santa Clara, I will be *professional*. In practice, this value looks like:
 - a.) I apply my knowledge and expertise to my assigned activities and to the interpersonal relationships that are part of my job in a consistent, confident, competent, and productive manner.
 - b.) I approach my job and work-related relationships with a positive attitude.
 - c.) I keep my professional knowledge and skills current and growing.
- 3. As a Representative of the City of Santa Clara, I will be *service-oriented*. In practice, this value looks like:
 - a.) I provide friendly, receptive, courteous service to everyone.
 - b.) I am attuned to, and care about, the needs and issues of citizens, public officials, and city workers.

c.) In my interactions with constituents, I am interested, engaged, and responsive.

4. As a Representative of the City of Santa Clara, I will be fiscally responsible in practice, this value looks like:

- a.) I make decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the City, especially its financial stability.
- b.) I demonstrate concern for the proper use of City assets (e.g., personnel, time, property, equipment, funds) and follow established procedures.
- c.) I make good financial decisions that seek to preserve programs and services for City residents.

5. As a Representative of the City of Santa Clara, I will be *organized*. In practice, this value looks like:

- a.) I act in an efficient manner, making decisions and recommendations based upon research and facts, taking into consideration short and long term goals.
- b.) I follow through in a responsible way, keeping others informed, and responding in a timely fashion.
- c.) I am respectful of established City processes and guidelines.

6. As a Representative of the City of Santa Clara, I will be communicative. In practice, this value looks like:

- a.) I convey the City's care for and commitment to its citizens.
- b.) I communicate in various ways that I am approachable, open-minded and willing to participate in dialog.
- c.) I engage in effective two-way communication, by listening carefully, asking questions, and determining an appropriate response which adds value to conversations.

7. As a Representative of the City of Santa Clara, I will be collaborative. In practice, this value looks like:

- a.) I act in a cooperative manner with groups and other individuals, working together in a spirit of tolerance and understanding.
- b.) I work towards consensus building and gain value from diverse opinions.
- c.) I accomplish the goals and responsibilities of my individual position, while respecting my role as a member of a team.
- d.) I consider the broader regional and State-wide implications of the City's decisions and issues.

8. As a Representative of the City of Santa Clara, I will be *progressive*. In practice, this value looks like:

- a.) I exhibit a proactive, innovative approach to setting goals and conducting the City's business.
- b.) I display a style that maintains consistent standards, but is also sensitive to the need for compromise, "thinking outside the box," and improving existing paradigms when necessary.
- c.) I promote intelligent and thoughtful innovation in order to forward the City's policy agenda and City services.

PRACTICAL CAMPAIGN ETHICS IN SANTA CLARA

·	because our community values	then is this behavior appropriate?
1. I shall conduct my campaign openly and publicly, discussing the issues as 1 see them, presenting my record and policies with sincerity and frankness, and criticizing the record and policies of my opponent or political parties which merit such criticism. 2. I shall not use or permit the use of character defamation, whispering campaigns or scurrilous attacks on any candidate or his or her personal or	 integrity truth moral courage professionalism ethics respect fairness 	—avoiding tough issues and instead focusing on personalities and innuendo —sending out a "hit piece" that distorts my opponent's record, educational background, and positions on issues —timing this "distortion piece" so it arrives when it's too late for opponent's response —reveal that my opponent is a recovering alcoholic —exploit the criminal record of my opponent's child
family life.	• compassion	 instruct my aide to give the press the name and phone number of a person who claims to have had an affair with my opponent
3. I shall not use or permit any appeal to negative prejudice based upon race, sex, religion, national origin, physical health status, or age.	tolerancediversityfairnessrespect	portray my opponent as too old to be an effective leader make the claim that because of my religiou beliefs I am better able to respect certain community values question the person's patriotism simply because they were not born in this country
4. I shall not use or permit any dishonest or unethical practice which tends to corrupt or undermine our American system of free elections, or which hampers or prevents the full and free expression of the will of the voters including acts intended to hinder or prevent any eligible person from registering to vote, enrolling to vote, or voting.	 fairness integrity participation justice honesty service- orientation 	 use my current public position as an early campaign soapbox, altering my previous behavior, paying attention to current matters only if they advance my campaign. encourage the misuse of the absentee ballo publish erroneous poll data that skews the public's perception support third-party mailers which give the impression that you have been endorsed by parties, people, politicians when you haven't been.
 I shall not coerce election help or campaign contributions for myself or any other candidate from my employees. 	• respect • freedom	promise future perks to groups who help organize and facilitate campaign appearance
6. I shall immediately and publicly repudiate support deriving from any individual or group which resorts, on behalf on my candidacy, or in opposition to that of my opponent, to the methods and factics which I condemn. I shall accept responsibility to take firm action against any who violates any provision of this code or the laws governing elections	 integrity accountability role modeling 	 a third party group who supports you because of one issue on which you see eye to eye, distribute false information about your opponent. When asked about it by the press, you say "no comment." a supporter of yours organizes a "beer bus' to bring students to the polls; your name is featured prominently on the bus
	• participation • justice	—on the day before the election your staff plants a rumor that people in a certain

A COUNCIL OF TRUST PRINCIPLES, NORMS, STANDARDS AND BEST PRACTICES

At a Special Meeting on "Managing Change" held on Monday, July 29, 2002, the Council discussed managing change brought about by the implementation of *The Code of Ethics and Values*. The Council's goal was to draft a set of norms to guide those running for elected office. By the end of the session, the Council had described "running for office and living our values" as looking like:

1. Following These Guiding Principles

- · Look at the law and also at "the right thing to do."
- Hold yourself and each other to the higher standard.
- Honor the common good. Represent community.
- Separate role as Council Member from role as candidate. Honor your role as a Council Member. Act as a member of the Council Team.
- Assume all are here for service of city.
- · Think strategically. Educate.
- Communicate consistently that ethics is upfront in this campaign.

2. Using These Specific Norms and Standards

- Don't jump to conclusions.
- · Avoid finger- pointing.
- · Stick to the issues.
- · Tell the truth. Don't mislead.
- Rely on facts and interpret them as fairly as you can.
- Avoid impression of representing city, overstating our contributions.
- Don't assume you know someone else's motive. Attribute positive motive of service to community.
- Treat others with respect. Golden Rule ("Treat others as you would want to be treated." Alternately: "What you do not wish done to yourself, do not do to others.")
- · Respect the process.
- · Respect City resources.

3. Adopting These Best Practices:

- · Wait. Get Facts.
- Talk to each other. Go directly to the other person. Discuss.
- Arrive at ground-rules with your opponents beforehand, if at all possible.
- Communicate your ethics clearly ahead of time to your staff and workers.
- Make clear to all your supporters how you are running your campaign and what you will do if anyone distorts that or attacks an opponent in an unethical manner.
- Appoint and empower a staff conscience to help when time is short and stressed.
- Ask the ethics questions by habit: Use the decision-making tool, and especially ask: How does this
 decision advance the City's values in best practice? What ethics reasons make this the right thing
 to do?
- Use ethics language to explain your decisions.
- · Have something written stand "the test of time."
- Maintain a sense of humor. Take the responsibility of the office seriously don't take yourself too seriously.
- Be able to look at yourself in the mirror at the end of the day...and set a high standard for what you want to see.

The Council agreed that these practices would create behavior that they and others would trust, thus the "Council of Trust".

Approved by Council August 20, 2004 (revised during April 27, 2004 Council Workshop)



Who Files:

A candidate for state or local office must file this form prior to solicitation or receipt of any contribution, or expenditure of any personal funds used for the election.

You must file a separate Form 501 for each election, including reelection to the same office.

Exception: This form is not required if you will not solicit or receive contributions from other persons and the only expenditures will be from your personal funds used for the filing fee and/or statement of qualifications in the sample ballot or ballot pamphlet.

Where to File:

File with the filing officer who will receive your original campaign disclosure statements.

State Candidates:

Secretary of State Political Reform Division 1500 11th Street, Room 495 Sacramento, CA 95814

Local Candidates:

Generally your county election office or city clerk.

When to File:

File the Form 501 before you solicit or receive any contributions or before you make expenditures from personal funds on behalf of your candidacy. This form is considered filed the date it is postmarked or hand delivered.

How to Complete:

All candidates: Complete Parts 1 and 3.

Candidates for elective state office: Complete Parts 1, 2, and 3.

Exception: Candidates for any election to the State Public Employees Retirement Board do not complete Part 2.

Part 1. Candidate Information

- Enter your name and street address.
- Enter the title of the office sought, agency name and district number if any (e.g., City Council member, City of Smalltown. Dist. 5), and political party affiliation. if seeking a partisan office.
- Check the appropriate box regarding the office's jurisdiction.

Part 2. Voluntary Expenditure Ceiling This section applies to certain candidates for elective state offices, including State Senate and

Assembly and statewide offices.

The voluntary expenditure ceiling applicable to your office is set forth in FPPC regulation 18545 and is published on the FPPC web site (www.fppc.ca.gov). You must state whether you accept or reject the expenditure ceiling. Candidates who accept the voluntary expenditure limit will be designated in either the state ballot pamphlet (statewide candidates) or the voter information portion of the sample ballot (Senate and Assembly candidates) and may purchase space for a 250-word statement there.

You may amend the Form 501 to change your acceptance of rejection of the voluntary expenditure ceiling only under the following circumstances:

- Between the date of filing an initial Form 501 for an election and the deadline for filing nomination papers for that election, you may amend your statement of acceptance or rejection of the voluntary expenditure ceiling no more than two times.
- If you reject the voluntary expenditure ceiling in the primary or special election but do not exceed the ceiling during that election, you may amend the

Form 501 to accept the expenditure ceiling for the general or special runoff election and receive all of the benefits accompanying the acceptance of the expenditure ceiling. The amended Form 501 must be filed within 14 days following the primary or special election.

Subsequent Etection When Ceiling not Exceeded:

If you reject the voluntary expenditure ceiling in the primary or special election but do not exceed the ceiling, you may accept the expenditure ceiling for a subsequent general or special run-off election and receive all the benefits accompanying such an agreement. To do so, you must file an amended Form 501 within 14 days following the primary or special election.

Personal Funds Notification:

You must disclose, if applicable, the date you contribute personal funds to your own campaign that exceed the expenditure ceiling. File an amended Form 501 within 24 hours by guaranteed overnight delivery or personal delivery.

Part 3. Verification

Sign and date the form in ink. An unsigned statement is not considered filed.

This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977, see the FPPC <u>Campaign Disclosure Manual</u> (available from your filing officer or the FPPC). Campaign filing deadlines, forms, and other informational materials are available on the FPPC website (www.fppc.ca.gov).

Candidate Intention Statement	Date Slamb	TATEMENT
	FORM	<u> </u>
Check One: Initial Amendment (Explain)	For Official Use Only	<i>*</i>
1. Candidate Information: NAME OF CANDIDATE (1.851, First, middle initial) DAYTIME TELEPHONE NUMBER FAX	FAX NUMBER reprenat:	
STREET ADDRESS CITY	STATE ZIP CODE	
OFFICE SOUGHT (POSITION TITLE) AGENCY NAME	DISTRICT NUMBER, " applicable	
OFFICE JURISDICTION □ State (Complete Part 2) □ City □ City □ City □ Multi-County:	(Year of Election)	
2. State Candidate Expenditure Limit Statement: (CalPERS candidates, judicial candidates, and candidates for local offices are not required to complete Part 2.)		
Primary/general election Special/runoff election		
$(Check one box)$ \square I accept the voluntary expenditure ceiling for the election stated above.		
☐ I do not accept the voluntary expenditure ceiling for the election stated above. Amendment: ○ I did not exceed the expenditure ceiling in the primary or special election held on:	and I accept the voluntary expenditure ceiling for the	<u>e</u>
(Mark if applicable)		
On // / / I contributed personal funds in excess of the expenditure ceiling for the election stated above	on stated above.	
3. Verification: I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.	correct.	
Executed on		g of

CITY OF SANTA CLARA

DECLARATION OF CANDIDACY STATEMENT AND ACCEPTANCE/REJECTION OF

ACCEPTANCE/REJECTION OF CAMPAIGN EXPENDITURE LIMITATIONS

I.	CANDIDATE INFORMATION	ON:			
Offi	ICE SOUGHT:			· · · · · · · · · · · · · · · · · · ·	
Nam	E OF CANDIDATE:			<u> </u>	, , , , , , , , , , , , , , , , , , ,
REST	DENTIAL ADDRESS:				
					7 (# %) (1 miles) (1
Tele	PHONE: ()		()		
	Home .		Work		
II.	CANDIDATE EXPENDITURE (CANDIDATES FOR CITY CONTRIBUTIONS)			NT PRIOR TO RECEIV	ING CAMPAIG
ELEC	CTION DATE: NOVEMBE	R 4, 2008			
	_ I ACCEPT THE VOLUNTAR _ I DO NOT ACCEPT THE VO				
ш.	VERIFICATION:				
ICER	RTIFY (OR DECLARE) UNDER P	ENALTY OF PERJURY	THAT THE FOREGOING IS	TRUE AND CORRECT	÷.
Ever					Caranana
EXE	CUTED: (DATE)	AT	(Place)		_, California
Sign	ATURE				
3,0,,	(CANDIDA	TE)			

Officeholder and Candidate Campaign Statement — Short Form - AND -Form 470 Supplement

Who Uses Form 470:

Form 470 is for use by officeholders and candidates who:

- do not have a controlled committee;
- do not anticipate receiving contributions totaling \$1,000 or more during the calendar year; and
- do not anticipate spending \$1,000 or more during the calendar year.

Officeholders whose salaries are less than \$200 per month, judges, and judicial candidates may not have to file Form 470 during non-election years and should refer to FPPC <u>Campaign Disclosure Manual 1 (state) or 2 (local)</u> to determine their filing obligations.

Officeholders and candidates who have a controlled committee or who have raised or spent \$1,000 or more or anticipate raising or spending \$1,000 or more during the calendar year must file the Recipient Committee Statement – Form 460.

Period Covered:

The period covered is always the calendar year (January 1 through December 31).

\$1,000 Threshold:

To determine if \$1,000 has been raised or spent, or will be raised or spent, the candidate's personal funds for the filing fee or statement of qualifications are excluded.

When to File Form 470:

If the Form 470 is filed in connection with an election, or on or before the filing deadline for the first campaign statement required for the calendar

year, no additional campaign statements need be filed for that calendar year as long as total contributions received remain less than \$1,000 and total expenditures made remain less than \$1,000. In most cases, July 31 is the filing deadline for the first campaign statement required to be filed by officeholders and candidates not being voted upon.

The Form 470 is filed in connection with an election if it is filed with the declaration of candidacy, or as a first preelection statement in connection with an election, covering the year of the election. If, after filing Form 470, receipts or expenditures reach \$1,000 or more, see the attached Form 470. Supplement for important reporting requirements.

Where to File Form 470:

Statewide candidates and officeholders and Supreme Court justices, file with:

Secretary of State (original and one copy)
Political Reform Division
1500 11th Street. Room 495
Sacramento. CA 95814
Phone (916) 653-6224
Fax (916) 653-5045
www.sos.ca.gov

Registrar-Recorder of Los Angeles County (one copy)

Campaign Finance Disclosure Section 12400 Imperial Highway
Norwalk, CA 90650
Phone (562) 462-2339
Fax (562) 651-2548
www.co.la.ca.us/regrec/main.htm

Department of Elections-City and County of San Francisco (one copy)

Campaign Statements 1 Dr. Carlton B. Goodlett Place, City Hall - Rm 48

San Francisco. CA 94102 Phone (415) 554-4375 Fax (415) 554-7344

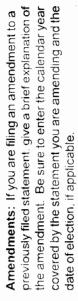
www.ci.sf.ca.us/election

The election official for the candidate's county of domicile (one copy).

- State legislative officeholders and candidates,
 State Board of Equalization members and candidates, appellate court justices, and superior court judges and candidates file an original and one copy with Secretary of State, one copy with the election official for the county with the largest number of registered voters in the district and one copy with the candidate's county of domicile.
- Elected officers and candidates for local multicounty agencies file an original and one copy with the election official for the county with the largest number of registered voters in the district and one copy with the candidate's county of domicile.
- Elected county officeholders and candidates for county offices, municipal court judges and candidates file an original and one copy with the election official for that county.
- Elected city officeholders and candidates for city offices file an original and one copy with the city clerk.

FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

Instructions for Completing Form 470 Supplement



This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977. see the FPPC Campaign Disclosure Manual (available from your filing officer or the FPPC). Campaign filing deadlines, forms, and other informational materials are available on the FPPC website (www.fppc.ca.gov).

Form 470 Supplement:

If an officeholder or candidate files the Form 470 for an election year and later receives contributions (including monetary and non-monetary contributions, loans, and the candidate's personal funds) totaling \$1,000 or more or makes expenditures totaling \$1,000 or more during the same calendar year, the officeholder or candidate must send a written notice within 48 hours. Use the attached Form 470 Supplement or follow the instructions below for preparing the notice.

When to File:

The notice must be sent within 48-hours of receiving contributions totaling \$1,000 or more or making expenditures of \$1,000 or more.

Note: The 48-hour notice requirement is applicable only when the Form 470 is filed with a declaration of candidacy or as a first pre-election statement.

Method of Delivery:

The notice must be sent by guaranteed overnight delivery service, personal delivery, or fax. Regular mail may not be used.

Where to File:

- Secretary of State's Office;
- local filing officer with whom the officeholder/ candidate is required to file the originals of his/ her campaign statements; and
- each candidate seeking the same office.

Contact your filing officer for candidate addresses.

Officeholder/Candidate Information:

Enter the officeholder/candidate's full name. residential or business address and daytime telephone number.

Office Sought:

- Enter the title of the office sought;
 - the district number, if any; and
- the date of the election.

Date Contributions/Expenditures Were Made or Received:

Enter the date monetary or non-monetary contributions totaling \$1.000 or more (including the candidate's personal funds) were received or the date expenditures of \$1,000 or more were made.

Amendments: If you are filing an amendment to a previously filed statement, give a brief explanation of the amendment.

Note: Once an officeholder or candidate reaches the \$1,000 threshold in receipts or expenditures, in addition to filing the Form 470 Supplement, other forms are required. See FPPC Campaign Disclosure Manual 1 for state candidates or Manual 2 for local candidates.

Statement of Organization Recipient Committee

Recipient Committee:

A recipient committee is any individual (including an officeholder or a candidate), group of individuals, organization, or any other entity that receives contributions totaling \$1,000 or more during a calendar year.

The term "contribution" includes monetary payments, loans and non-monetary goods or services.

Candidates:

The personal funds of a candidate or officeholder used in connection with seeking or holding elective office are contributions and are counted toward qualifying as a recipient committee. However, personal funds used to pay a candidate filing fee or a fee for the statement of qualifications to appear in the ballot pamphlet are not counted toward the \$1,000 threshold.

When to File:

File the Form 410 within 10 days of receiving . \$1,000 in contributions. The date this form is postmarked is the date it is considered filed. A recipient committee qualifying during the 16 days prior to an election in which it must file pre-election statements must file a Form 410 (or the information required on a Form 410) by fax, guaranteed overnight delivery, or personal delivery within 24 hours of qualification with the filing officer who will receive the committee's original disclosure statements. A Form 410 must also be filed with the Secretary of State within 10 days.

A recipient committee qualifying during the 16 days prior to an election in which the committee makes

independent expenditures of \$1,000 or more to support or oppose a candidate in that election must file the Form 410 (or the information contained on the Form 410) within 24 hours of qualification with the filing officer who will receive the committee's original disclosure statements and with the filing officer(s) for the candidate(s) supported or opposed by the independent expenditure. These filings must be made by fax, guaranteed overnight delivery, personal delivery or online (if online filing is available).

Where to File:

All Committees:

Original & one copy Secretary of State
Political Reform Division
1500 11th Street, Rm 495
Sacramento, CA 95814

County & City Committees:

Copy Local filing officer who will receive the original

disclosure statements.

The Secretary of State will assign an identification number to the committee. Once assigned, the identification number will be posted on the Secretary of State's website (www.ss.ca.gov) and written notification will be sent to the committee treasurer.

Amending:

Except for the "24-hour" amendment noted below, an amendment is due to the Secretary of State and local filing officer (if applicable) within 10 days from the date of any change to the information contained on the Form 410.

24-Hour Amendment:

CALIFORNIA 410

If, during the 16 days prior to an election when a committee is required to file pre-election statements, a change occurs in the name of the committee; the treasurer or other principal officers; or the controlling candidate, an amendment must be filed with the filing officer receiving the committee's original campaign statements within 24 hours of the change. The amendment must be sent by fax, online transmission, guaranteed overnight delivery, or personal delivery. If the Secretary of State is not the filing officer for the committee's original campaign statements, the amended Form 410 must also be filed with the Secretary of State within 10 days as stated above.

Terminating:

All recipient committees must file disclosure statements until the termination requirements are met and the Form 410 Termination has been filed. See Part 5.

This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977, see the FPPC <u>Campaign Disclosure Manual</u> for your type of committee (available from your filing officer or the FPPC). Campaign filing deadlines, forms, and other informational materials are available on the FPPC website (www.fppc.ca.gov).

Statement Type:

Initial

The "date qualified" as a committee is the date that the committee received contributions totaling \$1,000 or more during a calendar year. If a Form 410 is filed prior to receipt of \$1,000 in contributions, check the box "Not yet qualified." Once the committee qualifies, file an amended Form 410 to report the date qualified.

Amendment

If any of the information reported on an initial statement of organization changes, e.g., change of treasurers:

- Mark the amendment box.
- Include the committee's ID number and name,
- Provide the changed information.
 - Complete the verification.

Unless otherwise prohibited by law, a candidate for local office may amend the Form 410 to indicate that he or she is seeking another term of the same office (e.g. re-election). A candidate for state office must open a separate committee for each term of office and may not amend the Form 410 to redesignate a committee.

Termination

List the committee's identification number and indicate the date of termination.

1. Committee Information:

Provide the full name of the committee. A committee may use only one name.

The committee's street address must be reported. A post office box is **not** acceptable. The committee's mailing address must also be reported if it is different from the committee's street address. A post office

box is acceptable for the mailing address. A committee's "domicile" is its address as listed on the Form 410. Los Angeles is the county of domicile for committees located outside California.

The following name identification rules apply to the Form 410, the committee's campaign statements and to any other references to the committee required by law. See the instructions for Part 4 for committee definitions.

Legal Defense Fund

A state candidate or officeholder who is subject to legal proceedings may establish a controlled committee to defray attorney fees and other legal costs. The words "Legal Defense Fund" must be included as part of the committee name. See FPPC Campaign Disclosure Manual 1 for state candidates.

Sponsored Committees

A sponsored committee (including most political action committees) must include the full name of its sponsor in the name of the committee. If the committee has more than one sponsor and the sponsors are members of an industry or other identifiable group, include a term identifying that industry or group.

Primarily Formed Ballot Measure Committees

- -- A committee primarily formed to support or oppose a ballot measure must include the statement, "Committee For Proposition/ Measure...," or "Committee Against Proposition/Measure...," in the name of the committee. File an amended Form 410 if the ballot number or letter is not assigned when the committee qualifies.
- A committee primarily formed to support or oppose a ballot measure must also include in its name a

name or phrase that clearly identifies the economic or other special interest of its major donors of \$50,000 or more. The committee name must also include the name of any candidate that contributes \$50,000 or more. See FPPC Regulation 18450.3.

Recall elections: A committee formed by an officeholder who is the subject of a recall must include the word "recall" in the name of the committee. A committee primarily formed to support or oppose a recall must include the name of the officeholder who is the subject of the recall and whether the committee supports or opposes the recall.

Treasurer and Other Principal Officers:

The committee may have only one treasurer and one assistant treasurer.

If the committee has other principal officers, such as a president, secretary, or chairperson, list each officer's full name, position held, and address. Use an appropriately labeled attachment if necessary.

3. Verification:

The committee treasurer or assistant treasurer must sign the Form 410.

Controlled Committees

Each controlling officeholder, candidate or state ballot measure proponent must sign the Form 410. If more than three control the committee, one of them may sign on behalf of all controlling individuals. If a candidate will serve as his or her own treasurer, he or she must sign as the candidate and again as the treasurer.

FPPC Form 410 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

Statement of Organization Recipient Committee

INSTRUCTIONS ON REVERSE

COMMITTEE NAME

STATEMENT OF ORGANIZATION

CALIFORNIA

4. Type of Committee Complete the applicable sections.

Controlled Committee

- List the name of each controlling officeholder, candidate, or state measure proponent. If candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officeholder or candidate is affiliated or check "non-partisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controlled committee.

ELECTIVE OFFICE SOUGHT OR HELD (INCLUDE DISTRICT NUMBER IF APPLICABLE) YEAR OF ELECTION PARTY	□ Non-Partisan	☐ Non-Partisan	ntrolled "candidate election" committees only)	AREA CODE/PHONE BANK ACCOUNT NUMBER	CITY STATE ZIP CODE
NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROPONENT			• List the financial institution where the campaign bank account is located (controlled "candidate election" committees only)	NAME OF FINANCIAL INSTITUTION	ADDRESS

FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

OPPOSE

CHECK ONE

CANDIDATE(S) OFFICE SOUGHT OR HELD OR MEASURE(S) JURISDICTION (INCLUDE DISTRICT NO., CITY OR COUNTY, AS APPLICABLE)

Primarily formed to support or oppose specific candidates or measures in a single election. List below:

CANDIDATE(S) NAME OR MEASURE(S) FULL TITLE (INCLUDE BALLOT NO. OR LETTER)

Primarily Formed Committee

OPPOSE

SUPPORT

4. Type of Committee:

A committee must complete each applicable section. In some instances, a committee may qualify as more than one type of committee.

Controlled Committee

A "controlled committee" is one which is controlled directly or indirectly by an officeholder, candidate, or state measure proponent, or which acts jointly with an officeholder, candidate, state measure proponent, or another controlled committee in connection with making expenditures.

A committee is controlled if the officeholder, candidate, or proponent, his/her agent, or any other committee he/she controls, has a significant influence on the actions or decisions of the committee.

"Proponents" of state measures are persons who request the Attorney General to prepare a title and summary of a state initiative, referendum, or measure.

Controlled "Candidate Election" Committee A candidate must disclose bank account information on the Form 410.

List the name and address of the financial institution where the campaign bank account is located and the bank account number.

If your campaign bank account is not open at the time you file an initial Form 410, amend the Form 410 within 10 days of opening the bank account.

About Your Bank Account

- A campaign bank account must be established at an office of a financial institution located in the state.
- A new bank account and committee must be established to run for a different office. File initial Forms 501 (Candidate Intention) and 410 for the election.
- All money to be used for campaign purposes, including the candidate's personal funds, must be deposited in the campaign bank account for the specific office prior to expenditure, excluding personal funds used to pay the filing fee and/or fee for the statement of qualifications in the ballot pamphlet.
- State candidates may have separate bank
 accounts (and committees) for the primary and
 general election. A state candidate seeking reelection to the same office must open a new
 bank account and committee.
- Unless otherwise prohibited by law, a local candidate may use the same bank account and committee to run in more than one election for the same office (e.g. re-election).

Primarily Formed Committee

A committee is "primarily formed" when its principal activity is raising or spending money to support or oppose a specific candidate or measure or a group of specific candidates or measures all being voted upon in the same election on the same date. A committee established for the sole purpose of a recall election is a primarily formed committee.

A committee controlled by a candidate for his or her own candidacy is not a primarily formed committee.

If a primarily formed committee meets the sponsored committee definition, also complete the sponsored committee section.

General Purpose Committee

A committee is a general purpose committee if its principal activity is supporting or opposing a variety of candidates or measures not voted upon in a single election.

- A city committee makes contributions and expenditures in connection with a single city's elections and includes special districts located within a single city.
- A county committee makes contributions and expenditures in connection with a single county's elections. A county committee also includes elections for special districts located in a single county or any number of cities located in a single county.
- A state committee makes contributions and expenditures in connection with state elections, or in connection with elections held in more than one county.

Provide a brief description of the committee's political activities such as whether or not it supports candidates or measures that share a common political affiliation. If the general purpose committee meets the sponsored committee definition, also complete the sponsored committee section.

Not formed to support or oppose specific candidates or measures in a single election. Check only one box: CITY Committee STATE Committee (Continued) Statement of Organization PROVIDE BRIEF DESCRIPTION OF ACTIVITY Recipient Committee General Purpose Committee 4. Type of Committee INSTRUCTIONS ON REVERSE COMMITTEE NAME

STATEMENT OF ORGANIZATION

CALIFORNIA

Page.3

Check box and provide the date this committee qualified as a small contributor committee. If the committee qualified as a small contributor committee on January 1, 2001, enter 1/1/01. Date qualified Small Contributor Committee

ZIP CODE

STATE

CIT

NO. AND STREE

STREET ADDRESS

INDUSTRY GROUP OR AFFILIATION OF SPONSOR

List additional sponsors on an attachment

Sponsored Committee

NAME OF SPONSOR

5. Termination Requirements By signing the verification, the treasurer, assistant treasurer and/or candidate, officeholder, or proponent certify that all of the following conditions have been met:

- This committee has ceased to receive contributions and make expenditures;
- This committee does not anticipate receiving contributions or making expenditures in the future;
- This committee has eliminated or has no intention or ability to discharge all debts, loans received, and other obligations;
- This committee has no surplus funds; and
- This committee has filed all campaign statements required by the Political Reform Act disclosing all reportable transactions.
- -- There are restrictions on the disposition of surplus campaign funds held by elected officers who are leaving office and by defeated candidates. Refer to Government Code Section 89519.



Sponsored Committee

A "sponsored committee" is a general purpose or primarily formed committee, other than an officeholder or candidate controlled committee, that has one or more sponsors.

An organization, business, or other entity is a sponsor if one or more of the following apply:

- The committee receives 80% or more of its contributions from the entity or organization or its members, officers, employees, or shareholders.
- The entity or organization collects contributions for the committee by use of payroll deductions or dues from its members, officers or employees.
 - The entity or organization, alone or in combination with other entities or organizations, provides all or nearly all of the administrative services for the committee.
- combination with other entities or organizations, sets the policies for contribution solicitations or payment of expenditures from committee funds.

See the instructions for Part 1 for name identification requirements.

Small Contributor Committee

A "small contributor committee" is one that:

- Has been in existence for more than six months
- Receives contributions from 100 or more persons;
- Makes contributions to five or more candidates; and
- Has not received more than \$200 from one person in a calendar year.

See FPPC Regulation 18503.

5. Termination Requirements

Recipient committees do not automatically terminate; they may only terminate under the following circumstances:

- They have ceased to receive contributions and make expenditures; and
- They do not anticipate receiving contributions, repayments of outstanding loans made to others, or any other receipts in the future, and they do not anticipate making expenditures in the future; and
- They have eliminated or have no intention or ability to discharge all their debts, loans received, and other obligations; and
- They have no campaign funds; and
- They have filed all required campaign statements disclosing all reportable transactions, including disposition of funds.

State Candidates: There are specific mandatory termination deadlines applicable to your controlled committees. See FPPC Campaign Disclosure Manual 1 for state candidates.

How to Terminate

State Recipient Committees

- File an original and one copy of the Form 410
 Statement of Organization Termination along with an original and one copy of your Form 450 or 460 with the Secretary of State.
- File two copies of your Form 450 or 460 with your local filing officials.

Local Recipient Committees

- File an original and one copy of the Form 410 Statement of Organization Termination with the Secretary of State; and
- File a copy of the Form 410 Statement of Organization Termination, along with an original and one copy of your Form 450 or 460 with your filing officer.

CALIFORNIA 460

The Form 460 is for use by ALL recipient committees, including:

Candidates, Officeholders and Their Controlled Committees

A candidate or officeholder who has a controlled committee, or who has raised or spent or will raise or spend \$1,000 or more during a calendar year in connection with election to office or holding office. The Form 460 is also required if \$1,000 or more will be raised or spent during the calendar year at the behest of the officeholder or candidate.

Primarily Formed Ballot Measure Committees

A person, entity, or organization that receives contributions totaling \$1,000 or more during a calendar year for the primary purpose of supporting or opposing the qualification, passage, or defeat of a single ballot measure or two or more measures being voted on in the same city, county, multi-county or state election.

Primarily Formed Candidate/Officeholder Committees

A person, entity, or organization that receives contributions totaling \$1,000 or more during a calendar year to support or oppose a single candidate or officeholder, or two or more candidates or officeholders who are being voted upon in the same city, county, or multi-county election. This type of committee is not controlled by the candidate(s) or officeholder(s).

General Purpose Committees

 A person, entity, or organization that receives contributions totaling \$1,000 or more during a calendar year to support or oppose various candidates and measures (e.g., political parties, political action committees). Non-controlled committees that do not receive contributions, loans, or miscellaneous receipts totaling \$100 or more from a single source during a calendar year may use Form 450 – Recipient Committee Campaign Statement – Short Form.

Use the Form 460 to file any of the following:

- Preelection Statement
- Semi-annual Statement
- Quarterly Statement
- Special Odd-Year Report
- Supplemental Preelection Statement
 - Termination Statement
- Amendment to a previously filed statement

See reverse for general guidance on where to file this form.

Contribution Limits: Candidates for elective state office are subject to state contribution limits. Contributions received by committees for the purpose of making contributions to candidates for elective state office are also subject to limits. A chart identifying the limits is located at www.fppc.ca.gov. In addition, local candidates may

be subject to contribution limits imposed by local ordinance. Questions concerning local limits should be addressed to election officials in the local jurisdiction.

This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977, see the FPPC <u>Campaign Disclosure Manual</u> for your type of committee (available from your filing officer or the FPPC). Campaign filing deadlines, forms, and other informational materials are available on the FPPC website (www.fppc.ca.gov).

Instructions for Recipient Committee Campaign Statement

Where to File:

Statewide candidates and officeholders, Supreme Court justices, state ballot measure committees, and other committees that support or oppose state candidates and ballot measures, or that support or oppose candidates and ballot measures in more than one county, file with:

Secretary of State (original and one copy)
Political Reform Division
1500 11th Street, Room 495
Sacramento, CA 95814
Phone (916) 653-6224
Fax (916) 653-5045
www.ss.ca.gov

Registrar-Recorder of Los Angeles County (two copies)

Campaign Finance Disclosure Section 12400 Imperial Highway
Norwalk, CA 90650
Phone (562) 462-2339
Fax (562) 651-2548
www.co.la.ca.us/regrec/main.htm

Department of Elections-City and County of San Francisco (two copies)

Campaign Statements
1 Dr. Carlton B. Goodlett Place, City Hall - Rm 48
San Francisco, CA 94102
Phone (415) 554-4375
Fax (415) 554-7344
www.ci.sf.ca.us/election

The election officials for the counties in which they are domiciled (two copies).

- State legislative officeholders and candidates, State Board of Equalization members and candidates, appellate court justices, and superior court judges and candidates file an original and one copy with Secretary of State, two copies with the election official for the county with the largest number of registered voters in the district and two copies with their counties of domicile.
- Elected officers and candidates for local agencies that have jurisdiction in two or more counties and committees that support or oppose candidates or local measures being voted on in one of these jurisdictions, file an original and one copy with the election official for the county with the largest number of registered voters in the district and two copies with their counties of domicile.
- Elected county officeholders and candidates for county offices, municipal court judges and candidates, and committees that support or oppose candidates or ballot measures being voted on within a single county, file an original and one copy with the election official for that county.
- Elected city officeholders and candidates for city offices, and committees that support or oppose candidates and ballot measures in a single city, file an original and one copy with the city clerk.

Electronic Filing:

State candidates and committees that receive contributions or make expenditures totaling \$50,000 or more must also file Form 460 electronically with the Secretary of State. Some local jurisdictions also have electronic filing requirements for local candidates and committees.

Docinion Committee				COVER PAGE
Campaign Statement	Type or print in ink.	ink.	Date Stamp	CALIFORNIA ARD
Cover Page				FORM
	Statement covers period from	Date of election if applicable: (Month, Day, Year)	Page -	For Official Use Only
SEE INSTRUCTIONS ON REVERSE	through			
1. Type of Recipient Committee: All Committees - Complete Parts 1, 2, 3, and 4.	Complete Parts 1, 2, 3, and 4.	2. Type of Statement:		
Officeholder, Candidate Controlled Committee State Candidate Election Committee Recall Also Complete Part \$1 General Purpose Committee Sponsored Sponsored Small Contributor Committee Small Contributor Committee	Primarily Formed Ballot Measure Committee Controlled Sponsored (Asso Complete Part 6) Primarily Formed Candidate/ Officeholder Committee	☐ Preelection Statement ☐ Semi-annual Statement ☐ Termination Statement (Also file a Form 410 Termination) ☐ Amendment (Explain below)	ation)	Quarterly Statement Special Odd-Year Report Supplemental Preelection Statement - Atlach Form 495
3. Committee Information.	I.D. NUMBER	Treasurer(s)		
COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE)		NAME OF TREASURER		
		MAILING ADDRESS		
STREET ADDRESS (NO P.O BOX)		CITY	STATE ZIP CODE	AREA CODE/PHONE
CITY STATE ZIP C	ZIP CODE AREA CODE/PHONE	NAME OF ASSISTANT TREASURER, IF ANY	ER, IF ANY	
MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX	вох	MAILING ADDRESS		
CITY STATE ZIP C	ZIP CODE AREA CODE/PHONE	CITY	STATE ZIP CODE	AREA CODE/PHONE
OPTIONAL: FAX / E-MAIL ADDRESS		OPTIONAL: FAX / E-MAIL ADDRESS	ESS	

4. Verification

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on	By	Signature of Treasurer or Assistant Treasurer	
Executed on	By Signature of Controlling Officeholde	ficeholder, Candidale, State Measure Proponent or Responsible Officer of Sponsor	
Executed on	By Signature of Confi	Signature of Controlling Officeholder, Candidate, State Measure Proponent	
Executed on	By Signature of Contr	Signature of Controlling Officeholder, Candidate, State Measure Proponent	- FPPC Form 460 (Janua

CALIFORNIA 460

Period Covered by a Statement:

The "period covered" by a campaign statement begins the day after the closing date of the last campaign statement you filed. For example, if the closing date of the last statement was September 30, the beginning date of the next statement will be October 1.

If this is the committee's first campaign statement, begin with January 1 of the current calendar year.

The closing date of the statement depends on the type of statement you are filing.

Date of Election:

If you are filing this statement as a preelection statement in connection with an election, enter the date of the election.

Type of Recipient Committee:

Check one box to indicate the type of committee filing the statement. General descriptions are provided on the cover sheet to this form, or contact your filing officer or the FPPC for assistance. Following are some additional guidelines:

Controlled Committee

A controlled committee is one that is controlled by a candidate, officeholder or, in the case of a state ballot measure committee, by the proponent of the measure. A committee is "controlled" if the candidate, officeholder, or proponent, his or her agent, or any other committee he or she controls, has a significant influence on the actions or decisions of the committee.

Sponsored Committees

A sponsored committee is one that has a sponsor—a business entity, organization, union, or other entity—that meets certain criteria. Sponsored ballot measure committees and general purpose committees must include the name of the sponsor in the name of the committee.

Small Contributor Committees

This term is significant only if the committee makes contributions to candidates running for elective state office.

Type of Statement:

Check the appropriate box(es) to indicate the type of statement you are filing (or amending).

Amendments: If you are filing an amendment to a previously filed statement, give a brief explanation of the amendment and list the schedules being amended. Include an amended summary page, if applicable. Be sure to enter the period covered of the statement you are amending.

Termination: A committee must continue filing campaign statements each year until it is eligible to terminate and files a Form 410 Termination. Most officeholders must continue filing campaign statements until they have terminated all controlled committees and have left office.

Committee I.D. Number:

If the committee has not yet received an identification number from the Secretary of State,

enter "Not Yet Received." File Form 410 to obtain an I.D. Number.

Verification:

The statement must be signed by the committee treasurer or the assistant treasurer named on the committee's Statement of Organization (Form 410). An officeholder, candidate, or state measure proponent who controls the committee must also sign the statement. If two or three officeholders, candidates, or proponents control the committee, each must sign the statement. If more than three control the committee, one may sign on behalf of the others.

Under certain circumstances, the responsible officer of a sponsoring organization must sign the statement.

Additional Important Information:

Refer to the FPPC Campaign Disclosure Manual for your type of committee for information about:

- When, where, and what type of statements the committee is required to file.
- Closing date of campaign statements.
- Sponsored committee criteria.
- Termination critería.
- · Recordkeeping requirements and prohibitions.

Recipient Committee Campaign Statement Cover Page — Part 2

		Page	of
Officeholder or Candidate Controlled Committee	6. Primarily Formed Ballot Measure Committee	e Committee	
NAME OF OFFICEHOLDER OR CANDIDATE	NAME OF BALLOT MEASURE		
OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE)	BALLOT NO. OR LETTER JURISDICTION	ION	SUPPORT OPPOSE
RESIDENTIAL/BUSINESS ADDRESS (NO. AND STREET) CITY STATE ZIP	Identify the controlling officeholder, candidate, or state measure proponent, if any.	andidate, or state measu	re proponent, if any.
Related Committees Not Included in this Statement: List any committees not included in this statement that are controlled by you or are primarily formed to receive contributions or make expenditures on behalf of your candidacy.	NAME OF OFFICEHOLDER, CANDIDATE, OR PROPONENT OFFICE SOUGHT OR HELD	PROPONENT DISTRICT NO. IF ANY	40. IF ANY
COMMITTEE NAME 1.D. NUMBER			
NAME OF TREASURER CONTROLLED COMMITTEE?	7. Primarily Formed Candidate/Officeholder Committee List names of officeholder(s) or candidate(s) for which this committee is primarily formed.	iceholder Committee his committee is primarily i	List names of ormed.
	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	D SUPPORT
SIATE ZIP CO	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	D SUPPORT D OPPOSE
COMMITTEE NAME	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	D SUPPORT
NAME OF TREASURER CONTROLLED COMMITTEE? TYPES IN NO COMMITTEE ADDRESS (NO P.O. BOX)	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	D SUPPORT
	Attach continua	Attach continuation sheets if necessary	

Instructions for Recipient Committee Campaign Statement - Cover Page

Officeholder or Candidate Controlled Committee:

Candidates must have a separate bank account and committee to run for different elective offices. A candidate who is required to file campaign statements in connection with more than one elective office but is only receiving contributions and making expenditures for one of the offices, may include both offices on one Form 460. In Part 5 of the cover page, enter the candidate's name and under "Office Sought or Held," identify each office, and state whether the candidate is seeking or holding the office. The Form 460 must be filed with the appropriate filing officer(s) for each office.

no committee and is not raising or spending funds in the office of city councilmember (including the name to run for the county board of supervisors. She has For example, a city councilmember is raising funds In Part 5 of the Form 460 Cover Page, under "Office the city clerk and the county elections department. candidacy, she may complete one Form 460 each Sought or Held," she will state that she is holding statements for both her city office and her county campaign reporting period, which she will file with of the city) and that she is seeking a seat on the connection with the city office, and has formed a board of supervisors (including the name of the comply with the requirements to file campaign controlled committee for the county office. To county)

Ballot Measure Committee:

Part 6 of the Form 460 Cover Page must be completed by committees that are primarily formed to support or oppose the qualification or passage of a single ballot measure or two or more measures being voted on in the same city, county, multicounty, or state election. A "general purpose" ballot measure committee (one that supports or opposes a variety of state and/or local ballot measures) is not required to complete Part 6.

Campaign Disclosure Statement

Type or print in ink.

Amounts may be rounded

SUMMARY PAGE

Summary Page	to whole dollars.	State	Statement covers period	CALIFORNIA 460
SEE INSTRUCTIONS ON REVERSE		through		Page of
NAME OF FILER				I.D. NUMBER
Contributions Received	Column A TOTAL THIS PERIOD (FROM ATTACHED SCHEDULES)	Column B CALENDAR YEAR TOTALTO DATE	Calendar Year Sum Running in Both the	Calendar Year Summary for Candidates Running in Both the State Primary and General Flortions
1. Monetary Contributions Schedule A. Line 3 2. Loans Received Schedule B. Line 3 3. SUBTOTAL CASH CONTRIBUTIONS Add Lines 1+2	ж м	,	20. Contributions	1/1 through 6/30 7/1 to Date
4. Nonmonetary Contributions	φ.		res	, s
Expenditures Made 6. Payments Made Schedule E, Line 4 7. Loans Made Schedule H, Line 3 8. SUBTOTAL CASH PAYMENTS Add Lines 6 + 7	ω ω		Expenditure Limit Summary for State Candidates 22. Cumulative Expenditures Made	iture Limit Summary for State stes tes 22. Cumulative Expenditures Made*
Accrued Expenses (Unpaid Bills)s. Nonmonetary Adjustmentsc			Date of Election (mm/dd/yy)	Total to Date
				e es
Previous Summary Page, Cotumn A, Line ash	\$ 10 c and and confront from from from from from from from from	To calculate Column B, add amounts in Column A to the corresponding amounts from Column B of your last report. Some amounts in	*Amounts in this section m reported in Column B.	*Amounts in this section may be different from amounts reported in Column B.
15. Cash Payments	Cold figure 1 ships	Column A may be negative figures that should be subtracted from previous period amounts. If this is		
17. LOAN GUARANTEES RECEIVED Schedule B. Part 2	\$ for to carr	the first report being filed for this calendar year, only carry over the amounts		
Cash Equivalents and Outstanding Debts 18. Cash Equivalents	from any).	from Lines 2, 7, and 9 (if any).		
19. Outstanding Debts Add Line 2 + Line 9 in Column B above	 		FPPC Toll-Free Helplin	FPPC Form 460 (January/05) FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

instructions for Summary Page

committee's financial activities and is completed for The Summary Page provides an overview of the each filing.

reporting period as reported on Schedules A through H. It is not necessary to attach a blank schedule if word "none" on the appropriate line in Column A of period, but it is necessary to enter a zero or the there has been no reportable activity during the Column A reflects activities during the current the Summary Page.

The amounts reported on Lines 2, 7, and 9 of Column since January 1 of the current calendar year.* Add amounts in Column A. If this is the first report being amounts reported on Lines 2, 7, and 9 of Column B amounts disclosed in column (d) of Schedules B, F, Column B figures should reflect the cumulative total (if any) from the committee's last statement. (Note: campaign statement (if any) to the corresponding filed for a calendar year, only carry forward the the totals from Column B of the committee's last B should be the same as the total outstanding and H, respectively, of the current report.)

Column A may be negative numbers. In this case, expenses (Schedule F) are paid, the figures to be carried from the schedules to Lines 2, 7, and 9 of Summary Page (e.g., with a minus sign (-) or in be sure to show them as negative figures on the When loans (Schedules B and H) and accrued parentheses), and subtract them when totaling Columns A and B.

activities. Consult the FPPC Campaign Disclosure ballot measure elections held in January and early "cumulation period" for candidate elections and February, and for ballot measure qualification *There are exceptions to the calendar year

Manual for your type of committee for additional information.

Current Cash Statement:

Lines 12-16 of the Summary Page should accurately savings accounts, plus any investments that can be reflect your current cash position. Beginning and eadily converted to cash, such as certificates of Disclosure Manual regarding appropriate uses of amount of funds in your campaign checking and ending cash balances should include the total bonds, etc. (Officeholders and candidates are deposit, money market accounts, stocks and committees should read the FPPC Campaign subject to bank account restrictions, and all campaign funds.) Line 12 (Beginning Cash Balance) must be the same your first campaign statement, enter zero on Line 12. your previous statement's Summary Page. If this is as the ending cash balance reported on Line 16 of

Line 16 (Ending Cash Balance) is the total of Lines 12, 13, and 14, minus Line 15.

If you are filing a termination statement, Line 16 must be zero.

Cash Equivalents:

'Cash equivalents' include investments that cannot be market funds, should be included in the cash on hand readily converted to cash, as well as the balance due Page). Investments that can be readily converted to on all outstanding loans the committee has made to figures on Lines 12 and 16 of the Summary Page. others (from Line 7 of Column B of the Summary cash, such as certificates of deposit or money

Summary for Primary and General Elections (Lines 20 and 21):

This section is only for committees that are:

- Controlled by a candidate who is being voted on in both the state primary and general elections (does not apply to controlled ballot measure committees); or
- Primarily formed to support or oppose candidates being voted on in both the state primary and general elections.

covering periods during the last six months of the semi-annual statements for the general election, Complete this summary on the preelection and /ear (July 1-December 31).

Expenditure Ceiling Summary for State Candidates (Line 22):

separately. This information is no longer required if particular election must disclose the total amount of the expenditure ceiling has been lifted. (See FPPC expenditures made through the end of the reporting period that are subject to the expenditure ceiling for the election. Report the date of the election and accepted the voluntary expenditure ceiling for a total amount expended for that election. Report Candidates for elective state office who have totals for the primary and general elections Campaign Disclosure Manual 1.)

Schedule A Monetary Contributions Received

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period	SCHEDULE A
from	FORM 400
through	Page of

SEE INSTRUCTIO	SEE INSTRUCTIONS ON REVERSE			through	.	Page of
NAME OF FILER					1.0	I.D. NUMBER
DATE	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITEE, ALSO ENTER ID, NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
		IND COM OTH PTY				
		COM COM OTH SCC			*	
		IND COM OTH PTY				
		UND COM OTH PTY				V
		OND COM OTH PTY		14.		
			SUBTOTAL \$	46		
Schedule 1 1. Amount rei (Include all	Schedule A Summary 1. Amount received this period – itemized monetary contributions. (Include all Schedule A subtotals.)		€		*Contributor Codes IND – Individual COM – Recipient Co	*Contributor Codes IND – Individual COM – Recipial Committee reference than PTY or SCC
 Amount res Total mone 	 Amount received this period – unitemized monetary contributions of less than \$100. Total monetary contributions received this period. 	of less than \$	100\$		OTH – Other (e.g., b PTY – Political Party SCC – Small Contribution	OTH – Other (e.g., business entity) PTY – Political Party SCC – Small Contributor Committee
(Add Lines	(Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.)	nn A, Line 1.)	TOTAL \$			

Report monetary contributions (except loans) received during the reporting period on Schedule A. Also report on Schedule A if a contributor forgives a loan for you or a third party pays a loan for you. Loans received during the period are reported on Schedule B. Certain transfers between a state candidate's controlled committees are also disclosed on Schedule A. (See FPPC Campaign Disclosure Manual 1.)

If a total of \$100 or more is received from a single contributor during a calendar year, report the name, street address, city, state and zip code of the contributor, the amount contributed this period, and the cumulative amount received from the contributor since January 1 of the current calendar year.* Include monetary and nonmonetary contributions and loans when reporting the cumulative amount.

Contributions totaling less than \$100 received from a single contributor during a calendar year are reported as a lump sum on Line 2 of the Schedule A Summary.

*There are exceptions to the calendar year "cumulation period" for candidate elections and ballot measure elections held in January and early February, and for ballot measure qualification activities. (See the FPPC <u>Campaign Disclosure Manuals</u> for candidates and ballot measure committees.)

Date Received:

A monetary contribution has been received when the candidate or committee, or an agent of the candidate or committee, receives or obtains control of the check or other negotiable instrument. There are special rules for reporting the date contributions are received by a committee that collects

contributions through employee payroll deductions or membership dues.

Contributor Codes:

For each itemized contributor, check the applicable contributor code:

IND-contributions from any individual's personal funds.

COM--contributions from other committees that receive contributions. These committees will have an identification number assigned by the Secretary of State. Examples: political action committees, other candidates' committees. (State committees should use PTY or SCC when appropriate.)

OTH--business entities and other contributors.

PTY--contributions from political parties (including state and county central committees).

SCC--contributions from small contributor committees (applicable only to state candidates and committees).

Contributions from Individuals:

When itemizing a contribution from an individual, also disclose the contributor's occupation and the name of his or her employer. If the contributor is self-employed, provide the name of his or her business. If the contributor is not employed, enter "none."

It is not necessary to enter occupation and employer information for other types of contributors (such as business entities).

Missing Contributor Information: A contribution of \$100 or more must be returned to the contributor within 60 days if the recipient does not obtain the contributor's address, occupation and employer.

Contributions from Committees:

When itemizing a contribution from another recipient committee, disclose the identification number assigned to that committee by the Secretary of State in addition to its name and address. If no ID number has been assigned, provide the name and address of that committee's treasurer.

Intermediaries:

If you receive a contribution through an intermediary (i.e., you have received a contribution check from a person other than the true source of the funds), disclose all of the required information for both the intermediary and the actual contributor.

Per Election to Date:

Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC <u>Campaign</u>

Additional Important Information:

Refer to the FPPC <u>Campaign Disclosure Manual for</u> your type of committee for important information about aggregating monetary and nonmonetary contributions, recordkeeping, prohibitions on cash contributions, returning contributions, and more.

Schedule A (Continuation Sheet) Monetary Contributions Received

Type or print in ink.
Amounts may be rounded to whole dollars.

 Statement covers period	CALIFORNIA A CO
from	FORM 400
 through	Page of

	ABER	PER ELECTION TO DATE (IF REQUIRED)			:			
)	I.D. NUMBER	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)					N	
		AMOUNT RECEIVED THIS PERIOD						
		IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELEVENDYED ENTERNAME. OF BUSINESS)						SUBTOTAL \$
		CONTRIBUTOR CODE *	COM COM OTH SCC	COM COM COTH PTY	OND COM	COM COM COM COM COM COM	OTH OTH SCC	
		FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR CONTRIBUTOR CONTRIBUTOR CONTRIBUTOR CODE *						
	NAME OF FILER	DATE RECEIVED			# / / ·		w.	

*Contributor Codes

IND – Individual
COM – Recipient Committee
COM – Other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

Schedule B – Part 1 Loans Received

Type or print in ink.
Amounts may be rounded
to whole dollars.

be rounded Statemen dollars.

Statement covers period CALIFORNIA 460 FORM Trom Page of ONLIMBER

SEE INCLUDIO ON NEVENSE							,	
NAME OF FILER							I.D. NUMBER	
FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEL, ALSO ENTER ID, NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	OUTSTANDING BALANCE BEGINNING THIS PERIOD	(b) AMOUNT RECEIVED THIS PERIOD	(c) AMOUNT PAID OR FORGIVEN THIS PERIOD*	OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	(e) INTEREST PAID THIS PERIOD	(f) ORIGINAL AMOUNT OF LOAN	(9) CUMULATIVE CONTRIBUTION TO DATE
				□ PAID				CALENDARYEA
				8		\$°	, ,	5
		•		FORGIVEN		RATE	•	PERELECTION
TOTAL COM COTH CPTY CSCC		y	*	8	DATE DUE		DATE INCURRED	
				DlA9 □				CALENDAR YEA
				\$		RATE "	8	\$PER ELECTION
TO IND COM COTH PTY SCC		, ,	4	.	DATE DUE		DATE INCURRED	, s
				D PAID				CALENDAR YEA
				\$		RATE		S PER ELECTION
TE IND COM COTH DPTY SCC		 	₩-	-	DATEDUE	.	DATE INCURRED	S
		SUBTOTALS \$	€9	₩	€			
Schedule B Summary						(Enter (e) on Schedule E, Line 3)		

1. Loans received this period (Total Column (b) plus unitemized loans of less than \$100.)

2. Loans paid or forgiven this period (Total Column (c) plus loans under \$100 paid or forgiven.) (Include loans paid by a third party that are also itemized on Schedule A.)

Net change this period (Subtract Line 2 from Line 1.)
 Enter the net here and on the Summary Page, Column A, Line 2.

*Amounts forgiven or paid by another party also must be reported on Schedule A.

** If required.

FPPC Form 460 (January/05) FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

OTH - Other (e.g., business entity) PTY - Political Party SCC - Small Contributor Committee

(May be a negative number)

NET \$

(other than PTY or SCC)

IND – Individual COM – Recipient Committee

Contributor Codes

₩

υ

Instructions for Schedule B – Part 1 Loans Received

All loans received or outstanding are reported on Schedule B. Loans include monetary loans and amounts drawn on lines of credit.

Report Ioan guarantors on Schedule B – Part 2. A "guarantor" is a third party that co-signs, endorses, or provides security for a loan, or establishes or provides security for a loan, A guarantor is also making a contribution.

When a state candidate guarantees a loan from a commercial lending institution in connection with his or her election, both the lending institution and the candidate are required to be disclosed as the lender.

For each loan of \$100 or more that was received or was outstanding during the reporting period, disclose the lender's name and address. Report the original source of all loans received. E.g., for a loan from a commercial lending institution for which a candidate is personally liable, report the lending institution as the lender.

Column (a) – Enter the outstanding loan balance at the beginning of this period (Column (d) of last report) If the loan was received this period, this column will be blank.

Column (b) – Enter the amount received from the lender during this reporting period. If this loan was received in a previous reporting period, leave blank.

Column (c) – Enter the amount of any reduction of the loan during this reporting period. Check whether the loan was paid or forgiven. When the lender forgives a loan or a third party makes a payment on a loan, also report the lender or third party on Schedule A.

Column (d) – Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

Column (e) – Enter the interest rate and the amount of interest paid on the loan(s) during this reporting period. Interest paid is reported separately from payments made on the loan principal. Interest payments are also transferred to the Schedule E Summary.

Column (f) – Enter the original amount of the loan and date received. If this is the first time you are reporting the loan, this will be the same amount reported in Column (b).

Column (g) – Enter the cumulative amount of contributions (loans, monetary and nonmonetary contributions) received from the lender during the calendar year covered by this statement. Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC <u>Campaign Disclosure Manual 1.</u>)

Schedule B Summary:

The Schedule B Summary reflects the "net change" in your loan activity. That is, loan payments made during the period are subtracted from new loans received. When the loan payments number is larger than the amount of new loans received, Line 3 will be a negative figure. For example, if \$200 is paid during the period and only \$100 is received in new

foans, report the net change on Line 3 as "-\$100" or "(\$100)." Be sure to carry this figure to the Summary Page as a negative figure to be subtracted from Summary Page totals.

Additional Important Information:

Refer to the Instructions for Schedule A for important information about:

- Contributor Codes
- Contributions from Individuals
- Contributions from Committees
- Intermediaries

A loan received from a commercial lending institution in the normal course of business is reportable on Schedule B but is not considered a contribution. Contributor codes and cumulative amounts (Column (g)) are required only for loans that are contributions.

Refer to the FPPC <u>Campaign Disclosure Manual for</u> your type of committee for important information about recordkeeping, prohibitions on cash confributions, returning contributions, and more.

Statement covers period from. Type or print in ink.
Amounts may be rounded to whole dollars. Schedule B - Part 2 Loan Guarantors

SCHEDULE B - PART 2

BALANCE OUTSTANDING TO DATE ₽. CALIFORNIA LD. NUMBER CALENDAR YEAR CALENDAR YEAR CALENDAR YEAR CUMULATIVE TO DATE CALENDAR YEAR PERELECTION (IF REQUIRED) PERELECTION (IF REQUIRED) PER ELECTION (IF REQUIRED) Page _ AMOUNT GUARANTEED THIS PERIOD through LENDER LENDER LENDER LENDER LOAN DATE DATE DATE IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS) CONTRIBUTOR CODE COM OTH PTY COM []O**TH** Scc MO⊃[OTH □ scc PTY □PTY] scc QNI QNI FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR. (IF COMMITTEE, ALSO ENTER LD NUMBER) SEE INSTRUCTIONS ON REVERSE NAME OF FILER

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Enter on Summary Page, Line 17 only.

SUBTOTAL

PERELECTION (IF REQUIRED)

DATE

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Schedule B – Part 2

Loan Guarantors

Guarantors of loans received or outstangthe reporting period are reported on Schant 2. A "guarantor" is a third party the

Guarantors of loans received or outstanding during the reporting period are reported on Schedule B—Part 2. A "guarantor" is a third party that co-signs, endorses, or provides security for a loan, or establishes or provides security for a line of credit. A guarantor is also making a contribution.

For each guarantor of \$100 or more, enter the name and address of the guarantor and, if the guarantor is an individual, his/her occupation and employer or, if self employed, the name of his/her business.

Enter the name of the lender or the entity at which a line of credit was established and the date of the loan or the date the line of credit was established.

Enter the amount guaranteed this period, if applicable. For lines of credit, enter the full amount established or secured by the guarantor during the period. (Report amounts drawn on a line of credit on Schedule B – Part 1.)

Enter the cumulative amount guaranteed during the calendar year covered by the statement.
Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC Campaign

Report the outstanding balance for which the guarantor is liable at the close of this reporting period.

Loan guarantees are not included in the Schedule B Summary, but are carried forward in a lump sum to Line 17 of the Summary Page.

Nonmonetary Contributions Received Schedule C

Amounts may be rounded to whole dollars. Type or print in ink.

Statement covers period from

TODATE (IF REQUIRED) PER ELECTION 6 LD. NUMBER Page. CALENDAR YEAR CUMULATIVE TO (JAN 1 - DEC 31) DATE AMOUNT! FAIR MARKET VALUE through SUBTOTAL \$ DESCRIPTION OF GOODS OR SERVICES IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELFEMPLOYED, ENTER NAME OF BUSINESS) Attach additional information on appropriately labeled continuation sheets. CONTRIBUTOR CODE * MCOM | □0TH Потн □ PT4 □0TH ∏PTY \square **□**PTY \PTY ON. SCC FULL NAME, STREET ADORESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER ID NUMBER) SEE INSTRUCTIONS ON REVERSE NAME OF FILER DATE RECEIVED

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- ₩ Amount received this period – itemized nonmonetary contributions. (Include all Schedule C subtotals.)
- Amount received this period unitemized nonmonetary contributions of less than \$100\$
- Total nonmonetary contributions received this period.
 (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Lines 4 and 10.)

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... TOTAL \$

OTH - Other (e.g., business entity) SCC - Small Contributor Committee

PTY - Political Party

(other than PTY or SCC)

COM - Recipient Committee

*Contributor Codes IND - Individual

Instructions for Schedule C Nonmonetary Contributions Received

Report the receipt of nonmonetary contributions on Schedule C.

Nonmonetary contributions include:

- Goods and services for which you have not paid the fair market value, including items donated for auctions or garage sales, such as artwork or furniture.
- A discount that is not available to the public generally.
- Salary payments made by an employer for an employee who spends 10% or more of his or her compensated time in a calendar month working for your committee.

Volunteer personal services and payments voluntarily made by a person for his or her own campaign-related travel expenses are not reportable. The occupant of a home or office can host a fundraiser without making a nonmonetary contribution as long as the total cost of the fundraiser is \$500 or less.

If a total of \$100 or more is received from a single contributor during a calendar year, report the name, street address, city, state and zip code of the contributor, the amount contributed this period, and the cumulative amount received from the contributor since January 1 of the current calendar year. Include monetary and nonmonetary contributions and loans when reporting the cumulative amount.

Contributions totaling less than \$100 received from a single contributor during a calendar year are reported as a lump sum on Line 2 of the Schedule C Summary.

Date Received:

A nonmonetary contribution has been received on the earlier of the following: 1) the date the contributor made an expenditure for goods or services at your behest (in consultation or coordination with you, or at your request or suggestion); or 2) the date you or your agent obtained possession or control of the goods or services.

Per Election to Date:

Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC <u>Campaign</u> <u>Disclosure Manual 1.</u>)

Fair Market Value:

The fair market value of a nonmonetary contribution is the amount it would cost to purchase the goods or services on the open market. The fair market value can be more than the amount it cost the contributor to provide the goods or services to you.

If you do not know the value of a nonmonetary contribution, you may request the contributor to provide you with a written statement of the value. If you make a request in writing and the value of the contribution is \$100 or more. the contributor is required by law to provide the information.

Administrative Services:

Administrative overhead and start-up expenses paid by a sponsoring organization for its sponsored committee are not contributions to the committee but must be reported on Schedule C. Report the value of the services in the "Description of Goods or Services" column and a zero in the "Amount" and "Cumulative to Date" columns.

Nonmonetary Contributions as Expenditures:

The total of nonmonetary contributions is reported on the Summary Page as both contributions received and expenditures made. Enter the total on Line 3 of the Schedule C Summary on both Lines 4 and 10 of the Summary Page. (State Candidates: Most nonmonetary contributions also count for purposes of the voluntary expenditure limits.)

Additional Important Information:

Refer to the Instructions for Schedule A for important information about:

- Contributor Codes
- Contributions from Individuals
- Contributions from Committees
- Intermediaries

Refer to the FPPC <u>Campaign Disclosure Manual for</u> your type of committee for important information about aggregating monetary and nonmonetary contributions, recordkeeping, and more.

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Schedule D
Summary of Expenditures
Supporting/Opposing Other
Candidates, Measures and Committees

Type or print in ink.
Amounts may be rounded
to whole dollars.

CALIFORNIA A FORM	Page	SHAMIN CI
Statement covers period	through	

SEE INSTRUCTI	SEE INSTRUCTIONS ON REVERSE			through	Page	of
NAME OF FILER					N (C)	LD. NUMBER
DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN 1-DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
		Monetary Contribution Nonmonetary Contribution				
	Support Oppose	Expenditure				
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		Nonmonetary Contribution Contr				
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		Monetary Contribution Nonmonetary Contribution				
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			SUBTOTAL \$	**		

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₩ 2. Unitemized contributions and independent expenditures made this period of under \$100

^{3.} Total contributions and independent expenditures made this period. (Add Lines 1 and 2. Do not enter on the Summary Page.) TOTAL \$.

Instructions for Schedule D Summary of Expenditures Supporting/Opposing Other Candidates, Measures, and Committees

Schedule D is a summary of payments reported on Schedules E, F, and H that are contributions or independent expenditures to support or oppose candidates and committees. These include:

- A direct monetary contribution or loan made to another candidate or committee.
- A payment made to a vendor for goods or services for a candidate or committee (a nonmonetary contribution).
- A donation to a candidate or committee of goods on hand, or the payment of salary or expenses for a campaign employee who spends 10% or more of his or her compensated time working for another candidate or committee.
- A payment made for a communication (e.g., a mailing, billboard, radio ad) that expressly advocates the election, passage or defeat of a clearly identified candidate or ballot measure, but the payment is not made to—or at the behest of—the candidate or a ballot measure committee.

 These payments are "independent expenditures" and may trigger additional reports for your committee.

Note:

Campaign funds of a candidate or officeholder may not be used to make independent expenditures to support or oppose other candidates.

If a total of \$100 or more is contributed or expended during a calendar year to support or oppose a single candidate, ballot measure, or a general purpose committee (e.g., a political party), disclose the name of the candidate and the office sought or held and the candidate's district, if any, the number or

letter and jurisdiction of the ballot measure, or the name of the general purpose committee. For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure. For example, if you made a contribution to the Committee Against Measure A, check the "Oppose" box.

Disclose the date(s) and amount(s) of contributions or independent expenditures made this period relative to each candidate, measure, or committee, and the cumulative amount contributed or paid to date relative to the candidate, measure, or committee since January 1 of the current calendar year. Cumulate contributions and independent expenditures separately.

Contributions and expenditures of less than \$100 to support or oppose a single candidate or measure during a calendar year are totaled and reported as a lump sum on Line 2 of the Schedule D Summary.

Per Election to Date:

If a contribution is made to a candidate that is subject to state contribution limits (or if required by local ordinance), disclose the total amount contributed to the committee in connection with each limitation cycle and identify the election year. The primary and general elections are separate

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Electi 04 05 05	
Her Election to Date" Column tation Cycle Year of Election imary P 2003 03 eneral G 2004 04 becial S 2005 05 unoff R 2006 06	
\$	
Cycle P G S	
"Per Electio Limitation Cycle Primary P General G Special S Runoff R	

elections. For example, a \$3,300 contribution to a candidate for the primary election in 2006 would be disclosed as "\$3,300 P-06."

Description:

If you contributed goods on hand to another candidate or committee (e.g., office supplies), describe the goods or services in the "Description" column and disclose the fair market value of the contribution. The fair market value is the amount it would cost the recipient to purchase the goods or services. Because payments must be described when they are reported on Schedules E and F, you need not provide a description on Schedule D for payments reported on Schedules E or F that are nonmonetary contributions or independent expenditures.

Date of Contribution or Expenditure:

A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted it to the candidate or committee. A nonmonetary contribution is made on the earlier of the following: 1) the date you made an expenditure for goods or services at the behest of the candidate or committee; or 2) the date the candidate or committee obtained possession or control of the goods or services.

Additional Important Information:

Refer to the FPPC <u>Campaign Disclosure Manual</u> for your type of committee for important information about recordkeeping, prohibitions on cash payments, restrictions on the use of campaign funds, and more.

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Schedule D (Continuation Sheet) Summary of Expenditures Supporting/Opposing Other Candidates, Measures and Committees

NAME OF FILER

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period CALIFORNIA 4,60 from

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Page_

through

I.D. NUMBER

PER ELECTION TO DATE (IF REQUIRED) CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC. 31) AMOUNT THIS PERIOD SUBTOTAL \$ DESCRIPTION (IF REQUIRED) TYPE OF PAYMENT Nonmonetary Nonmonetary Nonmonetary Nonmonetary Monetary Contribution Monetary Contribution Monetary Contribution Monetary Contribution Independent Expenditure Independent Contribution Independent Expenditure Contribution Expenditure Contribution Independent Expenditure Contribution NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE □ Oppose Oppose Oppose Oppose Support Support Support | Support DATE

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Schedule E Payments Made

Type or print in ink.
Amounts may be rounded
to whole dollars.

SEE INSTRUCTIONS ON REVERSE		through	Page of
NAME OF FILER			I.D. NUMBER
CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment MBR member communications CNS campaign consultants CNS campaign consultants CNC cancer cancer cancer consultants CNC cancer consultants CNC cancer cancer cancer consultants CNC cancer	ayment, you may enter the code. C member communications meetings and appearances office expenses petition circulating phone banks polling and survey research postage, delivery and messenger services professional services (tegal, accounting) print ads	Otherwise, describe the payment. RAD radio airtime and production costs RFD returned contributions SAL campaign workers' salaries TEL tv. or cable airtime and production costs TEL tv. or cable airtime and production costs TRS staff/spouse travel, lodging, and meals TRS staff/spouse travel, lodging, and meals VOT voter registration WEB information technology costs (internet, e-mail)	iscribe the payment. radio airline and production costs returned contributions campaign workers' salaries campaign workers' salaries t.v. or cable airline and production costs candidate travel, lodging, and meals staff/spouse travel, lodging, and meals transfer between committees of the same candidate/sponsivoter registration information technology costs (internet, e-mail)
NAME AND ADDRESS OF PAYEE IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT PAID
* Payments that are contributions or independent expenditures must also be summarized on Schedule D	arized on Schedule D.	มาร	SUBTOTAL\$
Schedufe E Summary 1. Itemized payments made this period. (Include all Schedule E subtotals.) 2. Unitemized payments made this period of under \$100			↔
- -	rom Schedule B, Part 1, Column (e).)		\$ TOTAL \$

ade

Report payments on Schedule E (other than loans).

For each payment of \$100 or more made during the period, report the name and street address, city, state, and zip code of the payee or creditor, and the amount paid during the period. Payments of less than \$100 during the period are reported as a lump sum on Line 2 of the Schedule E Summary. However, if two or more payments under \$100 were made for a single product or service and the total paid during the period was \$100 or more, itemize the total amount paid during the period.

Report on Schedule E payments made on expenses that were reported on a previous statement as accrued expenses. Also report the required information on Schedule F.

Code or Description of Payment:

If one of the codes listed on Schedule E fully describes the payment, enter the code. A full description of each code is provided on the back of the Schedule E-Continuation Sheet. If none of the codes fully explains the payment, leave the "Code" column blank and enter a brief description of the goods or services purchased in the "Description of Payment" column.

Candidates:

All payments in connection with your campaign must be made from the campaign bank account. To use personal funds for campaign purposes, you must first deposit the funds in the campaign bank account.

Credit Card Payments:

Disclose the name, address, and amount paid to the credit card company during the period. Also disclose the name, address, amount paid, and code or description of payment for each vendor paid \$100 or more. You may disclose the vendor payments on Schedule E or Schedule G.

Payments by Agents and Independent Contractors:

When an agent or independent contractor (e.g., campaign worker, advertising agency, campaign management firm) makes payments on your behalf ("subvendor payments"), disclose the name, address, amount paid, and code or description of payment for each vendor paid \$500 or more. Disclose payments to the agent or independent contractor on Schedule E. You may disclose the subvendor payments on Schedule E or Schedule G.

Ownership Interests or Business Employment:

A ballot measure committee that makes a payment to any business entity (1) which is owned 50 percent or more by any of the individuals listed below, or (2) in which any of the individuals listed below is an officer, partner, consultant or employee, must report that individual's name, relationship to the committee, and a description of the ownership interest or position with the business entity. Individuals covered by (1) and (2) above include:

A candidate or person controlling the

- An officer or employee of the committee; or
 - The spouse of any of the above.

Loans:

Report interest paid on loans received on Line 3 of the Schedule E Summary (from Schedule B, Part 1, Column (e)).

Do not report payments made on loans received on Schedule E. Report loan repayments on Schedule B.

Do not report loans made to others on Schedule E. Report loans made on Schedule H.

Savings Accounts/Certificates of Deposit/Money Market Accounts:

Do not report transfers of campaign funds into savings accounts, certificates of deposit, money market accounts, or the purchase of any other asset that can readily be converted to cash on Schedule E. Continue reporting these amounts as part of your cash on hand on the Summary Page.

Additional Important Information:

Refer to the FPPC <u>Campaign Disclosure Manual</u> for your type of committee for important information about recordkeeping, returning contributions, prohibitions on cash expenditures, permissible uses of campaign funds, and more.

(Continuation Sheet) Schedule E

Type or print in ink. to whole dollars.

SCHEDULE E (CONT.)

staff/spouse travel, lodging, and meals transfer between committees of the same candidate/sponsor AMOUNT PAID ď CALIFORNIA FORM voter registration information technology costs (internet, e-mail) I.D. NUMBER t.v. or cable airtime and production costs SUBTOTAL \$ Page_ candidate travel, lodging, and meals radio airtime and production costs campaign workers' salaries CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment. Statement covers period returned contributions DESCRIPTION OF PAYMENT through from RAD RFD postage, delivery and messenger services professional services (legal, accounting) 윉 polling and survey research meetings and appearances member communications * Payments that are contributions or independent expenditures must also be summarized on Schedule D. Amounts may be rounded CODE petition circulating office expenses phone banks print ads # 5 8 8 F 9 H independent expenditure supporting/opposing others (explain)* NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER) contribution (explain nonmonetary)* campaign literature and mailings campaign paraphernalia/misc. candidate filing/ballot fees SEE INSTRUCTIONS ON REVERSE NAME OF FILER campaign consultants Payments Made fundraising events civic donations legal defense 8 END P

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Codes:

CMP: Campaign paraphernalia/misc. Lawn signs, buttons, bumper stickers, T-shirts, potholders, etc. Includes costs of election night event.

CNS: Campaign consultants. Fees and commissions paid to professional campaign management or consulting firms.

cTB: Contributions. Contributions made to other candidates and committees. Use "CTB" for direct monetary contributions. For nonmonetary (in-kind) contributions, use "CTB" and, if one of the other codes accurately describes the expenditure, you may enter that code also. Otherwise, describe the payment. Also provide the name of the candidate or committee that received the nonmonetary contribution in the "Description of Payment" column.*

CVC: Civic donations. Donations to civic, nonprofit or education organizations; payments for community events.

FIL: Candidate Filing/Ballot Fees. Payments to election officials for candidate filing fees and fees charged for publication of a ballot statement.

associated with holding a fundraising events. Expenditures associated with holding a fundraising event, including payments for event space to hotels or halls, payments for food and beverages to restaurants, caterers and other vendors, and payments for speakers, entertainment, and decorations. Includes costs of house parties. (Use "LIT" for costs of invitations, brochures, and solicitations associated with fundraising events.)

iND: Independent expenditures. Payments for communications that support/oppose other candidates or measures that are not made in consultation or coordination with the candidates or a ballot measure committee. Use "IND" and, if one of the other codes accurately describes the independent expenditure, you may enter that code

also. Otherwise, describe the payment. Also provide the name of the candidate or ballot measure supported or opposed by the expenditure.*

LEG: Legal Defense. Attorney or other fees paid or legal defense.

LIT: Campaign literature and mailings.

Preparation, production, and distribution of campaign literature, direct mail pieces, fundraising solicitations, and door hangers. Includes costs of mailing lists, design/graphics, copy and layout, printing and photocopying. Includes payments to be on a slate mailer, and for absentee ballot mailers.

MBR: Member Communications. Payments for communications to members, employees, or shareholders of an organization, or their family members, for the purpose of supporting or opposing a candidate or ballot measure.

MTG: Meetings and appearances. Costs associated with meetings, press conferences, town halls, constituent meetings, etc.

OFC: Office expenses. Expenditures for office rent; utilities (including cellular phone service); purchase or rental of office equipment (computer, fax, photocopier, etc.) and furniture: office supplies, etc.

PET: Petition circulating. Includes payments for printing petitions and payments to signature gathering firms for bailot measure qualification drives.

PHO: Phone banks. Costs of phone banks.

POL: Polling and survey research. Costs of designing and conducting polls, reports on election trends, voter surveys, etc.

POS: Postage, delivery and messenger services. Includes U.S. Postal Service, Federal Express, United Parcel Service, and other delivery and courier services.

PRO: Professional services. Includes legal,

accounting, and bookkeeping services.

PRT: Print space and production costs. Includes advertising space in newspapers, magazines and other publications, and billboard ads.

CALIFORNIA

RAD: Radio airtime and production costs.

RFD: Returned contributions.

SAL: Campaign workers salaries. Includes state and federal payroll taxes.

TEL: Television or cable airtime and video production costs.

TRC: Candidate travel. Payments or reimbursements for travel, lodging, and meals of a candidate.

TRS: Staff/spouse travel. Payments or reimbursements for travel, lodging, and meals of a candidate's representative (staff), or member of the candidate's household.

TSF: Transfers. Only use this code to report the transfer of funds to another authorized committee of the same candidate or sponsoring organization. Report funds this committee gives to other committees on Schedule E, as contributions ("CTB") to those committees, not as transfers.

VOT: Voter registration costs.

WEB: Information technology costs. Includes payments for website design, e-mail, internet access, production of website and e-mail advertising.

*Payments that are contributions or independent expenditures to support or oppose other candidates, measures, and committees must also be summarized on Schedule D. SCHEDULEF

Schedule F Accrued Expenses (Unpaid Bills)

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period from	CALIFORNIA 460
through	Page of
	I.D. NUMBER

SEE INSTRUCTIONS ON REVERSE			through	Page	of
NAME OF FILER				I.D. NUMBER	1BER
CODES: If one of the following codes accurately describes the CMP campaign paraphenalia/misc. CMS campaign consultants CNS campaign consultants CNS campaign consultants CTB contribution (explain nonmonetary)* FIL candidate filing/ballot fees FIL candidate filing/ballot fees FND fundraising events ND independent expenditure supporting/opposing others (explain)* POL ND independent expenditure and mailings LEG legal defense LLC campaign literature and mailings	icribes the payment, you may enter the code MBR member communications MTG meetings and appearances OFC office expenses PET petition circulating PHO phone banks POL polling and survey research POS postage, delivery and messenger services PRO professional services (legal, accounting) PRT print ads	enter the code. s ces arch nessenger services egal, accounting)	Otherwise, describe the payment. RAD radio airlime and production of RFD returned contributions SAL campaign workers' salaries TEL tv. or cable airlime and produ TRC candidate travel, lodging, and TRS staff/spouse travel, lodging, and TRS transfer between committees VOT voter registration WEB information technology costs	, describe the payment. radio airlime and production costs returned contributions campaign workers' salaries t.v. or cable airlime and production costs candidate travel, lodging, and meats staff/spouse travel. lodging, and meats transfer between committees of the same candidate/sponsor voter registration information technology costs (internet, e-mail)	s me candidate/sponsor e-mail}
NAME AND ADDRESS OF CREDITOR (IF COMMITTEE, ALSO ENTER ID. NUMBER)	CODE OR DESCRIPTION OF PAYMENT	(a) OUTSTANDING BALANCE BEGINNING OF THIS PERIOD	Ib) AMOUNT INCURRED THIS PERIOD	(c) AMOUNT PAID THIS PERIOD (ALSO REPORT ON E)	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD
					10 (A)
• Payments that are contributions or independent expenditures must also be summarized on Schedule D.	be SUBTOTALS \$	· ·	•		
Schedule F Summary 1. Total accrued expenses incurred this period. (Include all accrued expenses of \$100 or more, plus total unitemized	all Schedule F, Column (b) subtotals for zed accrued expenses under \$100.)	btotals for \$100.)	INCUI	INCURRED TOTALS \$	
 Total accrued expenses paid this period. (Include all Sch accrued expenses of \$100 or more, plus total unitemized 	Schedule F, Column (c) subtotals for payments on zed payments on accrued expenses under \$100.).	tals for payments on enses under \$100.).		PAID TOTALS \$	
3. Net change this period. (Subtract Line 2 from Line 1. Enter the difference here and on the Summary Page, Column A, Line 9.)	Enter the difference here and	7		NET \$	NET \$ May be a negative number

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Instructions for Schedule F Accrued Expenses (Unpaid Bills)

Report unpaid bills for goods or services on Schedule F.

If the amount owed to a single vendor is \$100 or more at the end of the reporting period, you must disclose the name and street address, city, state, and zip code of the payee or creditor and the amount incurred during the period that is outstanding at the end of the period (Column (b)). Continue reporting the accrued expense on each subsequent campaign statement until it is paid.

You are not required to report on Schedule F regular administrative overhead expenses, such as rent. utilities, phones, or employee salaries if you have not received a bill in the normal course of business or if the due date for the payment is after the closing date of the statement.

If you do not know the exact amount of a debt or obligation, provide an estimate. Once the exact amount is known, amend the estimated amount or note the correct amount on the next campaign statement.

Unpaid bills of less than \$100 at the end of the reporting period are added together and included in the total reported on Line 1 of the Schedule F Summary.

When accrued expenses are paid, the payments are reported on Schedule E. Also report the payment on Schedule F, Column (c).

Code or Description of Payment:

If one of the expenditure codes listed on Schedule F fully describes the payment, enter the code. A full description of each code is provided on the back of

the Schedule E Continuation Sheet. If none of the codes fully explains the expenditure, enter a brief description of the goods or services instead.

There are special instructions on the back of the Schedule E Continuation Sheet for coding and describing nonmonetary contributions and independent expenditures to support/oppose other candidates, committees, and ballot measures.

Accrued expenses that are nonmonetary contributions and independent expenditures must also be summarized on Schedule D when incurred.

Credit Card Payments:

Disclose the name, address, and amount owed or paid to the credit card company during the period. Also disclose the name, address, amount paid, and code or description of payment for each vendor paid \$100 or more. You may disclose the vendor payments on Schedule F or Schedule G.

Payments by Agents and Independent Contractors:

When an agent or independent contractor (e.g., campaign worker, advertising agency, campaign management firm) makes payments on your behalf ("subvendor payments"), disclose the name, address, amount paid, and code or description of payment for each vendor paid \$500 or more. Disclose amounts owed to the agent or independent contractor on Schedule F. You may disclose the subvendor payments on Schedule F or Schedule G.

Note: It is not necessary to reitemize credit card vendors or agent subvendors on Schedule F or G

when payments are made on accrued expenses, or if an accrued expense is itemized on more than one statement.

Forgiveness or Third Party Payment of an Accrued Expense:

If a creditor forgives or reduces an outstanding debt, or a third party pays a debt for you, report the transaction as follows:

- In the "Description of Payment" column, state that the debt was forgiven, reduced, or paid by a third party.
 - Report the amount forgiven, reduced, or paid by a third party as a negative figure in the "Amount Incurred This Period" column (Column (b)).
- Report a nonmonetary contribution from the creditor or third party on Schedule C.

Do not report the forgiveness, reduction, or third party payment on Schedule E.

Refer to the FPPC <u>Campaign Disclosure Manual for</u> your type of committee for important information about recordkeeping, cash expenditures, permissible uses of campaign funds, and more-

Schedule F (Continuation Sheet) Accrued Expenses (Unpaid Bills)

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period CALIFORNIA 460 From through Page of Office Statement covers period Form

Accrued Expenses (Unpaid Bills)	from	
	hrough	Pageo
NAME OF FILER		I.D. NUMBER
	-	

fransfer between committees of the same candidate/sponsor information technology costs (internet, e-mail) t.v. or cable airlime and production costs staff/spouse travel. lodging, and meals candidate travel, lodging, and meals radio airtime and production costs CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment. campaign workers' salaries returned contributions voter registration RAD SAL SAL TEL TRC TSF VOT WEB postage, delivery and messenger services professional services (legal, accounting) polling and survey research meetings and appearances member communications office expenses petition circulating phone banks print ads S S E S & & 문 independent expenditure supporting/opposing others (explain)* contribution (explain nonmonetary)* campaign literature and mailings campaign paraphernalia/misc. campaign consultants candidate filing/ballot fees fundraising events civic donations legal defense 200 2

* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

Payments Made by an Agent or Independent Contractor (on Behalf of This Committee) Schedule G

Type or print in ink. Amounts may be rounded to whole dollars.

CALIFORNIA 460	Statement covers period from
SCHEDULE	

SEE INSTRUCTIONS ON REVERSE NAME OF FILER

Page

5

I.D. NUMBER

through

NAME OF AGENT OR INDEPENDENT CONTRACTOR

CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment

member communications campaign paraphernalia/misc. campaign consultants

contribution (explain nonmonetary)*

candidate filing/ballot fees

civic donations

CVC

meetings and appearances petition circulating office expenses

phone banks <u>P</u>

S

polling and survey research

fundraising events independent expenditure supporting/opposing others (explain)*

campaign literature and mailings.

legal defense

postage, delivery and messenger services professional services (legal, accounting)

staff/spouse travel, lodging, and meals transfer between committees of the same candidate/sponsor candidate travel, lodging, and meals 压防防

t.v. or cable airtime and production costs

campaign workers' salaries returned contributions

RFD SAL

RAD radio airtime and production costs

voter registration TSF VOT

information technology costs (internet, e-mail) WEB

Payments that are contributions or independent expenditures must also be summarized on Schedule D.

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NAME AND ADDRESS OF PAYEE OR CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)				
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FPPC Form 460 (January/05)
FPPC Toil-Free Helpline: 866/ASK-FPPC (866/275-3772)

Instructions for Schedule G Payments Made by an Agent or Independent Contractor

Report payments made on your behalf during the reporting period by an agent or independent contractor (such as a campaign management firm or an advertising agency) on Schedule G.

Schedule G may be completed by the agent or independent contractor and provided to you or Schedule G may be completed by you from information provided by the agent or independent contractor.

Report expenditures of \$500 or more (other than expenditures for the agent's or independent contractor's overhead and normal operating expenses) made on your behalf during the reporting

Once a subvendor payment has been itemized on Schedule E, F, or G. it does not need to be itemized again. For example, if a subvendor payment is reported on Schedule F or G as part of an accrued expense, the subvendor information does not need to be reported again on subsequent reports.

Code or Description of Payment:

If one of the expenditure codes listed on Schedule G fully describes the payment, enter the code. A full description of each code is provided on the back of the Schedule E Continuation Sheet. If none of the codes fully explains the expenditure, enter a brief description of the payment instead.

Important: Officeholders and candidates may reimburse an agent or independent contractor for expenditures made on their behalf only if all of the following criteria are met:

- There is a written contract between the officeholder or candidate and the agent or independent contractor that provides for the reimbursement;
- The treasurer is provided with a dated receipt and written description of each expenditure prior to reimbursement; and
- Reimbursement is paid within 45 calendar days after the agent or independent contractor makes the expenditures.

Generally, if reimbursement is not paid within 45 calendar days, report the expenditure as a nonmonetary contribution on Schedule C.

Refer to the FPPC <u>Campaign Disclosure Manual</u> for your type of committee for additional instructions.

Loans Made to Others* Schedule H

Type or print in ink.
Amounts may be rounded to whole dollars.

₽ CALIFORNIA Page through from

Statement covers period

SCHEDULEH

(g) CUMULATIVE LOANS PER ELECTION** PER ELECTION** CALENDAR YEAR CALENDAR YEAR TO DATE DATE INCURRED DATE INCURRED ORIGINAL AMOUNT OF LOAN I.D. NUMBER (e) INTEREST RECEIVED RATE RAYE (d)
OUTSTANDING
BALANCE AT
CLOSE OF THIS
PERIOD DATE DUE DATE DUE REPAYMENT OR FORGIVENESS THIS PERIOD* FORGIVEN T FORGIVEN □ PAID D PAID (b)
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PERIOD s IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (# SELF-EMPLOYED, ENTER NAME OF BUSINESS) *Loans that are contributions to another candidate or committee FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (IF COMMITTEE, ALSO ENTER 1D. NUMBER) SEE INSTRUCTIONS ON REVERSE NAME OF FILER

(Enter (e) on Schedule I, Line 3)

43

49

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SUBTOTALS

must also be summarized on Schedule D. Loans forgiven must also be reported on Schedule E.

**If Required

Schedule H Summary

- w € (Total Column (b) plus unitemized loans of less than \$100.) Payments received on loans .. 1. Loans made this period
- (Total Column (c) plus unitemized payments of less than \$100.)

NET \$ [May be a negative number)

Instructions for Schedule H Loans Made to Others

All loans made or outstanding are reported on Schedule H.

Generally, campaign funds may be used to make loans to other candidates, officeholders, or committees (unless otherwise prohibited) and to bona fide charitable, educational, civic, religious, or similar tax-exempt nonprofit organizations. There are restrictions on loans to any other person, including a candidate who controls the committee, or to a nonprofit organization that is affiliated with a candidate, the treasurer, or other committee officials.

For each loan of \$100 or more that was made or was outstanding during the reporting period, disclose the recipient's name and address and, if an individual, his/her occupation and employer or, if self employed, the name of the business.

Column (a) – Enter the outstanding loan balance at the beginning of this period (column (d) of last report.) If the loan was made this period, this column will be blank.

Column (b) – Enter the amount loaned to the recipient during this reporting period. If this loan was made in a previous reporting period, leave blank.

Column (c) – Enter the amount of any reduction of the loan during this reporting period. Check whether the loan was paid or forgiven. If the committee forgives a loan, also report the transaction on Schedule E.

Column (d) – Enter the outstanding balance of the loan(s) at the close of this reporting period. Enter the due date, if any.

Column (e) – Enter the interest rate and amount of interest received on the loan(s) during this reporting period. Interest received is reported separately from payments received on the loan principal. Interest payments are also transferred to the Schedule I. Summary.

Column (f) – Enter the original amount of the loan and date made. If this is the first time you are reporting the loan, this will be the same amount reported in Column (b).

Column (g) – For each loan made during this reporting period that is a contribution,* enter the cumulative amount of contributions (loans, monetary and nonmonetary contributions) made to the recipient during the calendar year covered by the statement. If the recipient is a candidate subject to state contribution limits, or the information is required by local ordinance, also enter the total amount contributed to the candidate in connection with each limitation cycle and identify the election year. (For contributions to state candidates, see the Schedule D instructions.)

Schedule H Summary:

The Schedule H Summary reflects the "net change" in the committee's loan activity. That is, repayments received are subtracted from new loans made. When the repayment number is larger than the amount of the new loans made, Line 3 will be a negative figure. For example, if \$200 is received by the committee during the period and only \$100 is made in new loans, report the net change on Line 3 as "-\$100" or "(\$100)." Be sure to carry this figure to the Summary Page as a negative figure to be subtracted from Summary Page totals.

Refer to the FPPC <u>Campaign Disclosure Manual</u> for your type of committee for important information about recordkeeping, prohibitions on cash contributions, loan restrictions, and more.

*Loans that are contributions to candidates or other committees must also be reported on Schedule D.

Miscellaneous Increases to Cash Schedule I

SEE INSTRUCTIONS ON REVERSE NAME OF FILER

Type or print in ink.

Amounts may be rounded to whole dollars.

Statement covers period

CALIFORNIA

from

Page _

5

1.D. NUMBER

through

AMOUNT OF INCREASE TO CASH

FULL NAME AND ADDRESS OF SOURCE (IF COMMITTEE, ALSO ENTER LD, NUMBER)

DATE RECEIVED

DESCRIPTION OF RECEIPT

SUBTOTAL \$

Attach additional information on appropriately labeled continuation sheets.

 Itemized increases to cash this period. Schedule I Summary

2. Unitemized increases to cash of under \$100 this period.

3. Total of all interest received this period on loans made to others. (Schedule H, Column (e).)

4. Total miscellaneous increases to cash this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Line 14.)

↔ B

₩

TOTAL \$

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Instructions for Schedule I Miscellaneous Increases to Cash

Report any transaction that increases the cash position of the officeholder, candidate, or committee, but is not a monetary contribution, loan, or loan repayment, on Schedule I.

Itemize the sources of \$100 or more received during the reporting period.

Examples include:

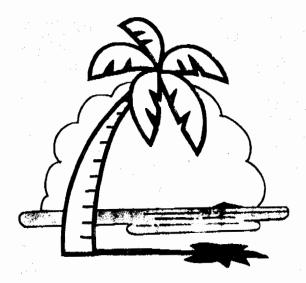
- Interest received or credited to checking or savings accounts or other time deposits.
- Proceeds from the sale of property, such as paintings, furniture, or other items sold at garage sales or auctions, etc., when the amount received is the "fair market value" of the item. Amounts received over the fair market value are reported on Schedule A. (Report donated items as nonmonetary contributions on Schedule C.)
- Proceeds from the sale of campaign property, such as office furniture or equipment.
- Refunds received on deposits, such as telephone deposits.

- Refunds received from overpayment of bills.
- Transfers received from another authorized committee of the same candidate. (Candidates for elective state office should refer to FPPC <u>Campaign Disclosure Manual 1</u> for information about reporting transferred funds that must be attributed to specific contributors of the committee making the transfer.)

Report on Line 3 of the Schedule | Summary the fump sum of interest payments received on loans made to others. Do not itemize. This amount is transferred from Schedule H, Column (g).

Campaign Disclosure Manual 2

Information for Local Candidates, Superior Court Judges, Their Controlled Committees, and Primarily Formed Committees for Local Candidates



California Fair Political Practices Commission

Toll-free advice line: 1 (866) ASK-FPPC

Web site: www.fppc.ca.gov

What's New for 2007

Telephone Advertisements: Section 84310 was added to the Act by AB 2275 (Chapter 439, Stats. 2006) requiring candidates and committees that use campaign funds to make 500 or more telephone calls to disclose the name of the person or organization that authorized or paid for the call. A script of the call or a copy of a recorded telephone message must be kept by the committee for four years. Certain exceptions apply. (See pages 1-7 and 3-8.)

Committee Names: Regulation 18402 was amended to require the last name of the candidate to be included in the name of any election committee controlled by the candidate. The new requirement applies to committees formed on or after July 1, 2007. (See page 4-13.)

Installment Payments: Regulations 18216 and 18421.1 were amended to clarify that contributions received via "installment" payments charged to a credit card or deducted from a contributor's account are reported when each installment payment is received and that such arrangements do not constitute an "enforceable promise" to make a contribution. (See pages 1-5, 2-2, and 6-8.)

Bank Accounts: Regulation 18421.3 was adopted to allow candidates to contract with a vendor or collecting agent to collect contributions prior to transferring to the campaign bank account without violating the "one bank account" rule. (See page 1-1.)

Candidate Form 460 or 470: A Q&A was added clarifying which form should be used by a candidate who intends to raise or spend \$1,000 or more during a calendar year, but has not done so by the closing date of the semi-annual campaign report. (See page 4-8.)

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Introduction

This manual provides important information on campaign disclosure rules for four types of filers:

- Local candidates and officeholders who do not have a controlled committee;
- Local candidates and officeholders who have a controlled committee:
- Superior Court judges and candidates for Superior Court; and
- Local "primarily formed committees,"
 which means committees that support or
 oppose a local candidate or a group of
 local candidates all being voted upon in
 the same election and are not controlled
 by the candidate(s) or officeholder(s) they
 support.

This manual describes the state campaign finance and disclosure law that applies to local candidates and committees. Many cities and counties have also adopted local laws governing campaign finance and disclosure. Local candidates and committees should check with their local elections or ethics agency about contribution limits and other requirements to follow in their city or county elections.

State candidates and officeholders, their controlled committees, and committees primarily formed to support or oppose state candidates should refer to FPPC's Information Manual 1 for State Candidates, Their Controlled Committees, and Primarily Formed Committees for State Candidates.

How to Use this Manual

California's Political Reform Act (the "Act") requires receipts and expenditures in election campaigns to be fully and truthfully disclosed. Since 1974, there have been over 200 amendments to the Act's campaign disclosure provisions. This manual has been prepared to assist candidates and primarily

formed committees to comply with the Act's numerous and often-detailed rules. It is written in a "user friendly" format so that candidates and committees, especially those with small budgets, have a resource guide. It is organized by subject matter and addresses the most common issues of campaign disclosure for local elections.

Terminology

It may be helpful to review the definitions contained in Appendix 1 first to become familiar with the different terms used throughout the manual.

In addition, federal and state tax laws and other rules are applicable to California campaign committees. Telephone numbers and website addresses for the Federal Election Commission, Internal Revenue Service, California Franchise Tax Board, and the Federal Communications Commission are listed in Appendix 2.

Controlling Law

This manual summarizes key campaign disclosure laws, regulations, and Commission opinions and draws from years of FPPC staff advice interpreting them to assist candidates and committees in complying with the Act. Each campaign is different, however, and may raise issues not discussed in this manual. If there are any discrepancies between the manual and the Act or its corresponding regulations and opinions, the Act and its regulations and opinions will control.

Need Help?

If you need assistance, the Fair Political Practices Commission has a toll-free advice line:

1-866-ASK-FPPC (1-866-275-3772)

FPPC employees are available Monday through Friday to help you. In addition, the FPPC website (www.fppc.ca.gov) contains forms, manuals, and a wealth of other helpful information.

See Appendix 2 for more details.

Candidates and committee treasurers are encouraged to become familiar with all of the disclosure requirements and FPPC forms. However, many local candidates and committees raise and spend money only in connection with a particular election and then terminate their filing obligations. These candidates and committees are likely to file only a few of the FPPC's many campaign

forms. Charts identifying these forms are provided below.

The first chart lists the forms that are generally required of those candidates who raise and spend money only in connection with their own election. The first column lists the forms required of candidates who spend less than \$1,000 in a calendar year. The second column lists the forms required from candidates spending over \$1,000 in a calendar year. The second chart addresses the five forms filed by a primarily formed committee for a local candidate.

Be sure to review Chapter 7 for other reports that may be required.

Local Candidates

Candidates Who Spend less than \$1,000	Candidates Who Spend \$1,000 or more
Candidate Intention (Form 501)	Candidate Intention (Form 501)
Officeholder/Candidate (Form 470) Campaign Statement-Short Form	Statement of Organization (Form 410)
	Recipient Committee Campaign (Form 460) Statement
	Late Contribution Report (Form 497)

Primarily Formed Committees for Local Candidates

Statement of Organization (Form 410)

Recipient Committee Campaign Statement (Form 460)

Supplemental Independent Expenditure Report (Form 465)

Late Independent Expenditure Report (Form 496)

Late Contribution Report (Form 497)

Chapter 1 Finances/Recordkeeping

This chapter is extremely important to all candidates and committees (see the "Definitions" section); each must use a bank account for deposit of monetary contributions received, recordkeeping is the foundation for compliance with the reporting obligations of the Act, and every committee may be audited.

However, candidates who do not raise contributions from others and spend less than \$1,000 of their own personal funds do not need to open a campaign bank account.

In addition, the section on "Treasurer's Duties," which is crucial to committees, will be of little concern to candidates who spend less than \$1,000 in a calendar year, since they will not qualify as a committee nor have a treasurer.

Campaign Bank Account Candidates and Controlled Committees

Candidates who anticipate soliciting or receiving contributions from others, or who anticipate spending \$1,000 or more of their personal funds in connection with their election, must open a campaign bank account.

A candidate's personal funds used to pay the filing fee and/or the ballot statement fee do not count toward the \$1,000 threshold.

Establishing the Account

The campaign bank account may be established at a bank, a state or federal savings and loan association, or a state or federal credit union. The financial institution must be located in California.

Candidates running for one office while holding another must establish a separate campaign bank account for each office – but

not more than one bank account per office per election.

Campaign contributions may not be commingled with any individual's personal funds. All contributions must be deposited in, and expenditures must be made from, the campaign bank account. Except as noted below, candidates must first deposit personal funds to be used for the campaign in the account before making campaign expenditures, even if the candidate does not expect to be reimbursed.

Exceptions:

- Candidates may use their personal funds to pay a filing fee or a ballot statement fee without first depositing the funds into the campaign account.
- An officeholder may use personal funds to pay officeholder expenses. (See Chapter 6 for reimbursement requirements.)
- A candidate may contract with a vendor or collecting agent to collect contributions prior to promptly transferring the funds to the candidate's campaign bank account without violating the requirement that the candidate have no more than one bank account. Fees deducted by the vendor are considered expenditures from the campaign bank account at the time they are deducted.

Investments

Campaign funds may be transferred from a campaign bank account to certificates of deposit, interest-bearing savings accounts, money market funds, or similar accounts. The funds must come from a campaign bank account designated for a specific office and be deposited in investment accounts established only for that office. The funds

must be redeposited into the same campaign bank account before being used for campaign expenses.

Credit Accounts

One or more credit accounts may be established for each campaign bank account. A single credit card, however, may not be designated for more than one campaign bank account. In addition, payment of charges on a credit account must be made only from the appropriate campaign bank account.

or

In lieu of establishing a new credit account, a candidate may designate an existing personal credit card with a zero balance as the campaign bank account credit card by listing the card number and date of designation in the campaign records. The candidate must ensure that no personal expenses are charged to this account until after the election and after all campaign charges have been paid with funds from the campaign bank account. Once all campaign expenses charged to the account have been paid, the candidate may resume using the card for personal purposes.

Petty Cash

Candidates may use campaign funds to establish a petty cash fund at each campaign office. Keep in mind the following conditions relating to the petty cash fund:

- A petty cash fund may not hold more than \$100 at any time.
- No expenditure of \$100 or more may be made from the fund.
- The fund may be used only for expenses associated with the election to the specific office or for the expenses of holding the office for which the petty cash fund was established.
- Once the funds are spent, payments made from petty cash must be reported as expenditures.

Redesignating the Account

A campaign bank account may be redesignated if the candidate runs again for the same local office. The account may be redesignated even if the account holds campaign funds or outstanding debts from the previous election. In order for a bank account to be redesignated, the Statement of Organization (Form 410) needs to be amended. Remember to file a new Candidate Intention (Form 501) as well.

OuickTIP Defeated candidates must redesignate campaign funds for a future election by the end of the reporting period following the election, or the funds are considered surplus. (See Chapter 9.) For example, if the election is held during the first six months of the year, the end of the reporting period is June 30. If the election is held during the last six months of the year, the end of the reporting period is December 31.

When running again for the same local office, in addition to using the same campaign bank account, the candidate may continue to use the same committee and identification number. In order to do so, the candidate needs to file a Statement of Organization (Form 410) check the amendment box, and indicate any information that has changed since the last Form 410 was filed, including the "Year of Election" information in Section 4.

Restrictions on Redesignating

A campaign bank account may not be redesignated if the candidate is seeking election to a different office.

Example Ed Smiley is a city council incumbent and has a committee and bank account for this office. He is seeking election to the county board of supervisors. Ed must establish a new bank account and a new committee for his supervisorial election.

Expenditures from Multiple Accounts

A candidate who has more than one campaign bank account must make all expenditures in connection with an election from the campaign bank account established for that election, including:

- Campaign strategic planning and fundraising expenses;
- Services and actual expenses of outside political consultants, the campaign treasurer, other staff, pollsters, and other persons who provide services directly in connection with the election;
- Voter registration and get-out-the-vote drives; and
- Payments for mailings, political advertising, yard signs, opinion polls or surveys, and other communications if the payments:
 - Are for a communication that makes reference to the candidate's future election or status as a candidate; or
 - 2) Are made three months prior to an election for which the candidate has filed a Candidate Intention Statement (Form 501), a declaration of candidacy, or nomination papers with an election official, or any other documents necessary to be listed on the ballot for an elective office.

Recall Elections

Under state law, an officeholder who is the subject of a recall may use an existing committee (set up for the office he or she currently holds) to receive contributions and make expenditures to oppose the qualification of the recall measure, and if the recall petition qualifies, the recall election. The officeholder instead may choose to set up a separate committee for this purpose. The committee may be established once the officeholder receives a notice of intent to recall under Elections Code Section 11201. The committee must set up a separate bank

account at a financial institution in California, file a Statement of Organization (Form 410), and include the word "recall" in the name of the committee. The committee also must file campaign statements as discussed in Chapters 5, 6, and 7. (Contact the local jurisdiction for information about local rules that may apply.)

Primarily Formed Committees

A "primarily formed committee" is a committee that supports or opposes a single candidate or a group of candidates all being voted on in the same election but is not controlled by the candidate(s) supported. Although committees not controlled by a candidate are not required to maintain a separate bank account, doing so is a good idea. Pre-numbered and pre-printed checks with the committee's name are useful in meeting the recordkeeping requirements discussed in the next section. Primarily formed committees may not commingle campaign contributions with any individual's personal funds.

Answering Your Questions

- Q. I do not intend to raise any funds from others and will not be spending any money other than my personal funds for the filing fee and ballot statement fee. Do I need to open a campaign bank account?
- A. No.
- Q. I do not intend to raise any funds from others; however, I will be spending my own money on my campaign, although I will not be spending \$1,000 or more. Do I need to open a bank account?
- A. No.
- Q. I will be raising money for my campaign, but I do not intend to raise or spend \$1,000 on my campaign during the calendar year. Do I need to open a bank account?

- A. Yes. Since you are raising funds from others, even though you will not be raising or spending \$1,000 or more, you are required to open a campaign bank account in which to place funds raised including personal funds you will use for your election.
- Q. I do not intend to raise any funds from others, although I will be spending \$1,000 or more of my personal funds on my campaign. Do I need to open a bank account?
- A. Yes. Since you plan to spend \$1,000 or more for your campaign, you will need to open a bank account and must disclose bank account information on the Statement of Organization (Form 410).

Recordkeeping

In any campaign, an accurate and organized record must be kept of all campaign receipts and expenditures. All individuals who handle receipts and make expenditures must be aware of and practice the recordkeeping procedures required by the Political Reform Act and FPPC regulations that are outlined in this manual. While others may be involved, the candidate and treasurer, as listed on the committee's Form 410, remain legally responsible for the accuracy of the records.

Record Retention

Candidates and committees must keep all records, including original source documentation, for a period of four years from the date the campaign statement relating to the records was filed. Documents that identify the names of the contributors that are affiliated entities must be kept for five years. (See Chapter 2.)

Example Sharon Goldstein, a city council member, filed her first campaign statement on January 31, 2007. The records associated with completing that statement,

such as receipts and information on contributors, must be retained until January 31, 2011.

Records of Receipts

Two types of records are required for receipts: a daily record, showing how much money was received on any given day; and a contributor record, with detailed information about each contributor of \$25 or more. The daily record requirement may be met simply with bank statements, copies of checks received, or other documentation that provides the required information listed below.

Receipts Under \$25

A daily lump sum total must be kept for contributions under \$25 and miscellaneous receipts under \$25.

Contributor Record

Contributions: \$25 to \$99.99

For each monetary or nonmonetary contribution or loan of \$25 or more, the date received, amount, type of contribution, and full name and address, including zip code, of the contributor must be documented. In addition, the total amount received from that contributor over the course of the current calendar year (the "cumulative amount") must be recorded.

Date Received

A monetary contribution is received on the date that the candidate or committee, or an agent of the candidate or committee, obtains possession or control of the cash, check, or other form of contribution, not the date it is deposited in the bank account. Contributions received by electronic methods such as wire transfer, credit card or debit account transactions are also received on the date the candidate or committee obtains possession or control of the funds. The following list provides examples:

- A contributor makes a contribution over the telephone. The contribution is "received" by the committee on the date the contributor gives his or her debit/credit account information to the committee.
- A contributor makes a contribution via the Internet and the committee reviews the online transaction before the contribution is processed. The contribution is "received" by the committee on the date the committee receives the payment information.
- A contributor makes a contribution via the Internet and the contribution is made by direct deposit without review and before transaction reports are produced. The contribution is "received" by the committee when the committee has possession of the funds.
- A contributor agrees to make contributions via "installment" payments by authorizing the committee to periodically charge his or her credit card or withdraw funds from his or her account. The contribution is "received" when the committee, or an agent of the committee, obtains possession or control of the funds for each installment payment. The contribution reported is only the amount of each installment payment when received. Installment payments scheduled to take place in the future, but not yet received, are not reportable.

Contributions: \$100 or More (Occupation and Employer Information)

If contributions totaling \$100 or more are received from an individual, in addition to the above information, the contributor's occupation and employer are recorded.

If the contributor is self-employed, that fact also must be noted along with the name of his or her business. Generally, if a check is drawn on the account of a business entity, the contributor is the business entity, not the person who signs the check.

A contribution of \$100 or more must be returned if the contributor's name, address, occupation, and employer are not in the committee's records within 60 days from receipt of the contribution. If the contribution cannot be returned to the contributor, it must be paid within 60 days of receipt to the general fund of the local jurisdiction in which the committee is based. In the case of a Superior Court judge or a judicial candidate, the contribution must be paid to the Secretary of State of receipt for deposit in the state's general fund. If the contribution is returned to the contributor by check and the check is not cashed by the contributor within 90 days, the contribution must be paid to the local jurisdiction or the Secretary of State within the following 30

Contributions may be deposited in the committee's bank account pending receipt of the information, in which case they must be reported on the next campaign statement required to be filed (including late contribution reports). The Recipient Committee Campaign Statement (Form 460) must be amended within 70 days from its closing date to disclose the missing contributor information unless the contribution is returned to the donor. Late contribution reports need not be amended. The committee also must record the date the contributor information is received, if that date is different than the date the contribution is received.

Example Stanley Hughes. a city clerk candidate, received a contribution of \$100 from Martha Andersen on June 1. The only information he had was her name and address as listed on her check. On his semi-annual statement covering the reporting period through June 30, he reported receiving \$100 from Martha, listed her name and address, and indicated that he would amend his statement when he received her occupation and employer information. By

July 31 of that same year, even after writing to Martha, Stanley still did not have Martha's occupation and employer. Stanley must return \$100 to Martha.

Intermediaries

For contributions of \$25 or more made through an intermediary (see Chapter 2), records of the above information for both the intermediary and the contributor is required.

Nonmonetary Contributions

If the contribution is nonmonetary and worth \$25 or more, a description and the fair market value of the contribution must be recorded. (See "Valuing" in Chapter 2.)

Loans

If the contribution is a loan of \$25 or more, the following information for the lender must be recorded:

- · Interest rate of the loan, if any;
- Due date of the loan, if any; and
- Name and address of any guarantor and the amount guaranteed. The occupation and employer of any individual who guarantees a loan of \$100 or more must also be recorded.

If a candidate receives a loan from a commercial lending institution for his or her campaign, the institution and not the candidate is recorded as the source of the loan. The candidate does not have to be reported as the guarantor, even if the candidate is personally liable.

Documentation

The committee must keep copies of all documents reflecting deposits made and all records reflecting campaign bank account balances, such as bank statements, check registers and passbooks.

The following documents produced or received by the committee also must be kept

for receipts of \$25 or more: contributor cards; copies of contributor checks; letters of transmittal; notices or writings received from contributors; memoranda or other records that describe the method used to determine the fair market value of donated goods or services (nonmonetary contributions); and loan agreements or other documents that reflect indebtedness. In addition, documentation for electronic transactions must include information collected when debiting the contributor's account, such as itemized transaction reports (including the credit card confirmation number), debit/credit account transaction records, and credit card receipts or vouchers. Documentation of contributions received over the Internet must include a record of the transaction created and transmitted by the cardholder including the cardholder's name and address and card number.

For contributions or other receipts of \$100 or more, copies of any letters or other communications sent by the committee to obtain the documents listed above must be kept.

Expenditures

Expenditures: Under \$25

A daily lump sum total of all expenditures under \$25 must be kept.

Expenditures: \$25 or More

For expenditures of \$25 or more to a single payee, or a series of expenditures for a single product or service that total \$25 or more, the following must be recorded:

- Full name and street address, including zip code, of payee;
- · Expenditure amount;
- Date the expenditure was made or for accrued expenses, the date the goods or services were received; and
- Description of the goods or services received.

Contributions to Other Candidates or Committees and Independent Expenditures

For expenditures that are contributions to another officeholder, candidate, or committee, or independent expenditures (see Appendix 1 for definitions) to support or oppose a ballot measure, the amount of the expenditure and also the cumulative amount paid in that calendar year in connection with the officeholder, candidate, committee, or ballot measure must be recorded.

For all such expenditures of \$25 or more, the following information is required:

- Date the contribution or independent expenditure was made;
- Whether the expenditure is an independent expenditure;
- Name of the officeholder or candidate, and the office and district he or she holds or for which he or she seeks nomination or election, or number or letter of the measure and the jurisdiction in which the measure is to be voted on;
- Cumulative amount contributed to the candidate or committee; or
- Cumulative amount of independent expenditures to support or oppose the measure.

Candidates may not use campaign funds to make independent expenditures to support or oppose other state or local candidates.

Loans Made to Others

The following additional information must be kept for loans made by the committee: interest rate, if any; due date, if any; and full name and street address of anyone guaranteeing the loan or who is liable directly, indirectly, or contingently for the loan. (For restrictions on loans to others, see Chapter 10.)

Documentation

All bank and credit card records for expenditures must be kept.

For any expenditure of \$25 or more made by the committee or by any agent on behalf of the committee, canceled checks, bills, invoices, or statements; receipts; credit card charge slips; vouchers; contracts; loan agreements; and other documents produced or received by the committee reflecting additional obligations also must be kept by the committee. Copies of canceled checks can be retained if the copies contain a legible image of the front and back of the canceled check and the copies are obtained from the financial institution.

If no receipt, voucher, or invoice is available, a voucher should be written as soon as possible with the date and amount of the payment, the name of the payee, and a description of the goods or services received. A voucher is not required for payments under \$25.

Notices to Major Donors, Mass Mailings, and Telephone Calls

A copy or a record of all \$5,000 "major donor" notices (see Chapter 2) and a copy of any mass mailings (see Chapter 3) sent by the committee must be kept. For certain telephone calls made to 500 or more voters and paid for by the committee (see Chapter 3), a script of the call or a copy of the recorded phone message also must be kept.

Audits

The Act authorizes audits of committees. Mandatory audits of candidates, their controlled committees, and primarily formed committees that support or oppose candidates are conducted by the Franchise Tax Board. Discretionary audits may be conducted by the FPPC.

Each odd-numbered year, a total of 20 local jurisdictions are randomly selected for audit, including eight counties, eight cities, two school and community college districts, and two special districts. All candidates in the jurisdiction are subject to audit, which are conducted in random order.

Candidates for Superior Court who raise or spend \$15,000 or more in an election are subject to audit by random selection of 25 percent of contested judicial offices.

Treasurer Duties

Every committee must have a treasurer. There are no restrictions on who may be treasurer. The candidate controlling the committee may be the treasurer. The committee may not accept contributions or make expenditures before a treasurer is appointed or while the treasurer's post is vacant, even if there is an assistant treasurer (see below). If the committee treasurer is unavailable to carry out his or her duties for an extended time, a new treasurer should be designated and the committee's Statement of Organization (Form 410) amended.

Treasurers or assistant treasurers must sign and verify all reports and statements filed. The verification indicates under penalty of perjury that:

- The signer has used all reasonable diligence in preparing the statement; and
- To the best of his or her knowledge, the statement is both true and complete.

The signer is legally responsible for the accuracy and completeness of the document even if it is prepared by a third party, including a professional accountant. An unsigned statement is considered "not filed" and subject to late fines.

Treasurer

A treasurer is required to establish a system of recordkeeping sufficient to ensure that receipts and expenditures are recorded promptly and accurately in compliance with the Act's recordkeeping and disclosure requirements. Following the recordkeeping guidelines in this manual ordinarily constitutes compliance with this requirement. In addition, the treasurer is required to:

- Maintain campaign records personally or monitor records kept by others.
- Take steps to ensure all of the Act's requirements are met regarding receipt, expenditure, and reporting of campaign funds.
- Prepare campaign statements personally or carefully review campaign and underlying records prepared by others.
- Correct any inaccuracies or omissions, and inquire about any information that would cause a reasonable person to question the accuracy of the campaign statements.
- Sign campaign statements under penalty of perjury. The treasurer is legally responsible for the accuracy and completeness of campaign statements, even if they are prepared by a third party, such as a professional accountant. The treasurer must establish that campaign statements are properly filed. Because the treasurer may be held personally liable for violations of the Act, no person should assume the position of treasurer as a mere figurehead.
- Check and, if necessary, correct any information contained on a campaign statement which a reasonable, prudent person would question. Among the circumstances which might give rise to an inquiry regarding a contribution are: the size of the contribution; the reported source; the likelihood of that source making a contribution of that size; the

circumstances surrounding receipt; and the manner in which the contribution is recorded in campaign records.

Assistant Treasurer

An assistant treasurer may be designated on the Statement of Organization (Form 410) in the event that the treasurer is unavailable to sign a report when it is due. The assistant treasurer is required, like the treasurer, to use reasonable diligence in preparing and reviewing any campaign statements that he or she signs, and must certify to that effect under penalty of perjury. For statements signed by the assistant treasurer, both the treasurer and the assistant treasurer are liable for any violations pertaining to that report.

There are no restrictions on who may be an assistant treasurer, although he or she should know the reporting obligations, restrictions, and prohibitions provided under the law. For a controlled committee, the candidate may be designated as assistant treasurer. If this is the case, and the treasurer is unavailable to sign a campaign report when it is due, the candidate will sign both as candidate and assistant treasurer.

Candidate Duties

A candidate is required to:

- Make sure that the treasurer is exercising all reasonable diligence in the performance of his or her duties. The candidate must establish that campaign statements are properly filed.
- Take whatever steps are necessary to replace the treasurer or raise the treasurer's performance to required standards if the candidate knows, or has reason to know, that the treasurer is not exercising all reasonable diligence in the performance of his or her duties.

- Review with care the campaign statements prepared for filing by the committee.
- Correct any inaccuracies and omissions in campaign statements of which the candidate is aware, and check and correct any information on campaign statements which a person of reasonable prudence would question based on all of the surrounding circumstances.
- Perform with due care any other tasks assumed in connection with the raising, spending, or recording of campaign funds insofar as such tasks relate to the accuracy of information entered on campaign statements.

Answering Your Questions

- Q. If, in the early days of the campaign, the candidate is not able to find someone to serve as the campaign treasurer, may the candidate serve in that capacity until another person is found?
- A. Yes. In fact, a separate treasurer is never required; the candidate may serve as treasurer throughout the campaign.
- Q. Are there any specific accounting qualifications for someone to be able to serve as treasurer, or any conditions which would disqualify someone from being able to serve as treasurer?
- A. No.
- Q. What should be done if the treasurer and assistant treasurer, or the candidate, are not able to sign before the deadline?
- A. In order to ensure that the statement is filed on time, you may submit the filing if it is signed by one of the following: the candidate, treasurer, or assistant treasurer. If the candidate's signature is missing, submit an amendment to provide his or her signature as soon as possible. Likewise, if both the treasurer

- and assistant treasurer are unavailable, submit an amendment to provide the required signature as soon as possible.
- Q. Are committee records and source documentation required to be kept on paper, or may the committee use an electronic recordkeeping system?
- A. Electronic records are permitted, provided that all of the required information is collected and recorded in a timely and uniform manner that ensures the accuracy and reliability of the information. Committees are responsible for ensuring that electronic records can be read and/or printed for auditing purposes during the applicable retention period.
- Q. Are form letters thanking the committee for contributions it has made required to be retained for recordkeeping purposes?
- A. Form letters containing no information necessary to complete or verify the committee's campaign statements are not required to be retained.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

82015	Contribution.
82018	Cumulative Amount.
82025	Expenditure.
82044	Payment.
82047.5	Primarily Formed Committee.
84100	Treasurer.
84104	Recordkeeping.
84300	Cash and In-Kind Contributions;
	Cash Expenditures.
84302	Contributions by Intermediary or
	Agent.
84307	Commingling with Personal Funds.
84310	Identification Requirements for
	Telephone Calls.

05004	O
85201	Campaign Bank Account.
85501	Prohibition on Independent
	Expenditures by Candidate
	Controlled Committees.
85700	Donor Information Requirements;
	Return of Contributions.
89511.5	Use of Personal Funds for
	Incumbent Elected Officers.
90000	Responsibility.
90001	Mandatory Audits and
	Investigations.
90002	Audits and Investigations; Time.
90003	Discretionary Audits.
90006	Audit and Investigation by
	Commission.
90007	Auditing Guidelines and Standards

Title 2 Regulations

18401	Required Recordkeeping for
	Chapter 4.

- **18421.1** Disclosure of the Making and Receipt of Contributions.
- 18421.2 Street Address.
- 18421.3 Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
- 18426.1 Assistant Treasurer.

 18427 Duties of Treasurers and
 Candidates with Respect to
 Campaign Statements.
- 18432.5 Intermediary.
- 18521 Establishment of Separate
 Controlled Committee for Each
 Campaian Account.
- 18524 Investment and Expenditure of Candidates' Campaign Funds.
- 18525 Incumbent Candidates' Election Expenses and Officeholder Expenses.
- 18531.5 Recall Elections.
- 18570 Return of Contributions with Insufficient Donor Information.
- 18991 Audits of Campaign Reports and Statements of Local Candidates and Their Controlled Committees.
- 18994 Auditing and Investigations.
- 18995 Standards and Guidelines for Auditing Statements and Reports.

Chapter 2 Contributions

This chapter begins with a definition of "contribution" and provides guidelines necessary to proper reporting, including a discussion on valuing nonmonetary contributions.

Contributions to local candidates and committees in many cities and counties are subject to local contribution limits and other restrictions. Check with your local elections or ethics agency.

What is a Contribution?

A "contribution" is a monetary or nonmonetary payment received by a candidate or committee for which the candidate or committee has not provided full and adequate consideration in return. (See the definition of "contribution" in Appendix 1.) A contribution may take any of the following forms:

- Money (cash, check, credit card, wire transfers);
- Nonmonetary items (donated goods or services, discounts);
- Payments made by a third party for advertising or other communications (see Chapter 4);
- Loans (including loan guarantees, cosigning, and lines of credit);
- Money, nonmonetary items, and loans from the candidate to his or her own committee or from the candidate's family;
 and
- Enforceable promises (for example, a contributor promises, in writing, to pay for specific goods or services and, based on that written promise, the committee expends funds or enters into a legallyenforceable contract to purchase the goods or services).

Each type of contribution is reported differently. In fact, when a contribution is received is determined in part by what type of contribution it is.

In general, a monetary contribution is received on the date that the candidate, committee, or an agent of the committee obtains possession or control of the cash, check, or other item that constitutes the contribution. (See Chapter 1 for detailed information about when a monetary contribution is received.)

Examples John Burns, the campaign consultant for Friends of Joshua Truman, received a hand-delivered check at a May 14. Friday evening fundraiser for Friends. John did not give the check to the committee's treasurer for deposit until the following Monday, May 17. The contribution was received on May 14, the day the committee's agent obtained possession of the check.

Friends of Joshua Truman also contracts with a website service to receive contributions over the Internet. The website service sends the committee's treasurer an email each time a contributor logs on to the website service and enters his or her donor information and credit card number. Logging onto the website service, the treasurer can accept the contribution and receive the funds. The committee reports receipt of the contribution on the date it receives the email because it controls the contribution on that date.

A nonmonetary contribution is received on the earliest of the following:

 The date funds were expended by the contributor for the goods or services;

- The date the candidate, committee, or an agent of the committee obtained possession or control of the goods or services; or
- The date the candidate or committee received the benefit of the expenditure.

An enforceable promise is received on the date the candidate, committee, or an agent of the committee receives documents verifying that a contributor has made a legally enforceable promise to pay for goods or services. A pledge card is not considered an enforceable promise to make a contribution. "Enforceable promise" also does not include a contributor's agreement to make future installment payments through credit card, wire transfer, debit account transaction, or similar electronic payment.

When an agent of the committee, such as a campaign consultant, receives a contribution for the committee, the treasurer must be notified by the agent no later than the closing date of the next campaign statement due.

Exceptions

There are many exceptions to the definition of "contribution," which are described in Appendix 1 under the definition of "contribution." Exceptions for certain types of political communications are also discussed in detail in Chapter 3. Some of the most common exceptions include:

Volunteer Personal Services: If an individual donates his or her personal or professional services to a campaign, no contribution has been made or received. However, if an employer donates employee services to a campaign, and any employee spends more than 10% of his or her compensated time in a calendar month providing the services, the employer has made a nonmonetary contribution to the committee.

Home/Office Fundraisers: If someone holds a fundraiser or other campaign event in his or her home or office, the costs incurred by the occupant of the home or office need not be reported as long as the total cost of the event is \$500 or less. However, if someone else donates food, beverages, or anything else of value to the event, the fair market value of those donated goods is a nonmonetary contribution. In addition, the donated goods must be counted to determine if the total cost of the event is \$500 or less.

Jaleel Baker holds a fundraiser in his home for your committee. He spends \$250 on decorations, food, and drinks for the event. His neighbor, Sheila Mkemo. brings some door prizes with a fair market value of \$50. Since the total cost of the event is under \$500, Jaleel's \$250 is not reportable. However, since Sheila is not the occupant of the home. her nonmonetary contribution of \$50 is reportable, although not itemized.

Shannon Priestly sponsors an event for your committee after work in her business' downtown office. Shannon spends \$450 to have the event catered. Jason Cameron, who works in the building next door, supplies a flower centerpiece worth \$75. Since the total cost of the event exceeds \$500, both Shannon's contribution of \$450 and Jason's \$75 flower arrangement are reportable by your committee.

Member Communications: Payments made by an organization (including a political party) for certain communications that are sent only to the organization's members, employees, or shareholders, or their families, are not contributions to a candidate endorsed in the communications. (See Chapter 3.)

Restrictions on Contributions

Contributions of \$100 or more must be made by written instrument and may not be made or received in cash. (For more details, see Chapter 9.) In addition, contributions of \$100 or more must be returned if the contributor's name, address, occupation, and employer are not obtained within 60 days of receipt of the contribution. (See Chapter 1.)

Receiving Contributions

Aggregating Contributions

Contributions received from certain combinations of individuals and entities must be added together to determine the total amount that will be treated as received from a single contributor.

The following are aggregated:

- Contributions from the personal funds of an individual and contributions made by an entity when the same individual directs and controls the entity's contributions.
- Contributions from two or more entities if a majority of the same persons directs and controls the contributions of each entity.
- Contributions made by entities that are majority owned by any person with the contributions of the majority owner and all other entities majority owned by that person, unless those entities act independently in their decisions to make contributions.

QuickTIP The term "person" includes an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, and association.

The following are basic examples to provide general guidance regarding aggregation of contributions. Every case is unique and if these examples are not helpful, contact the FPPC for advice.

Sally Perez contributed \$98 from her personal funds and another \$98 from the funds of her wholly-owned business, Flowers by Sally Perez, to the Anderson Committee. Because contributions from an individual and his or her business, or from any other account he or she directs and controls, are considered to be from a single contributor, the Anderson Committee must itemize both contributions and report a cumulative amount received from Sally and her business of \$196 on its committee campaign statement.

EXtream Snowboards, Inc., made a contribution of \$99 to the Johnson Committee. EXtream Snowboards, Inc., is a wholly-owned subsidiary of LeesureTech Industries, which also made a contribution of \$99 to the Johnson Committee. If there was coordination between EXtream Snowboards and LeesureTech Industries, their contributions are considered to be from a single contributor. The Johnson Committee must itemize both contributions and report a cumulative amount received of \$198 on its campaign statement.

William Smith is a developer with four separate corporations. William makes political contributions from his personal funds and directs and controls the contributions of each of his corporations. William made a contribution of \$90 from his personal funds and contributions of \$90 from the funds of each of his corporations to the Perez Committee. Because he directed and controlled all of these contributions, they are considered to have been made by a single contributor. The Perez Committee must itemize each contribution and show a cumulative amount received of \$450.

Southwest TeleCom has a greater than 50% ownership interest in American TeleCom. Each entity, entirely on its own and with separate decisionmaking bodies, makes a contribution of \$1,000 to Mayor Yadon. The mayor does not aggregate these

contributions because Southwest TeleCom and American TeleCom acted independently in their decisions to make the contributions.

Also see Chapter 6 for information on reporting aggregated contributions received from major donor committees.

Credit Card, Electronic, and Other Types of Contributions

Contributions may be received by credit card, wire transfer, debit account transaction, or similar electronic payment options (including contributions received via the Internet or telephone). All of the reporting and recordkeeping requirements apply to these contributions. (See Chapter 1.) Some tips are:

- For contributions of \$25 or more, the committee treasurer should make sure that a copy of the credit card voucher or other documentation is sent to the committee as soon as practicable after the contributions are made.
- The entire amount charged to the contributor is reported as a contribution.
- Fees associated with this type of fundraising, or deducted by the vendor before the contributions are sent to the committee, are reported as expenditures; the fees are not deducted from the amount of each contribution reported.

Fundraisers

The full amount (face value) of a fundraiser ticket is a reportable contribution.

Example Your committee holds a fundraiser and charges \$100 per person. After the event, you determine that it cost your committee \$25 per person to pay the caterer, hall rental, entertainment, invitations, etc. Report on Schedule A of the Form 460 each contributor's name, address, occupation, and employer and the full \$100

per ticket contribution. Do not subtract \$25 from each ticket sold.

Auctions and Garage Sales: When items are donated for auction or sale at a fundraiser, the donated item is a nonmonetary contribution. (See below for determining the value.) When someone buys an item, the payment is usually considered a "Miscellaneous Increase to Cash" and is reported as such. (See Chapter 6.) If any one person or entity pays \$100 or more, the payment is itemized.

However, when someone pays more for an item than it is worth, the amount that is equal to the fair market value is reported as a miscellaneous increase to cash and the amount over the fair market value as a monetary contribution. Each is itemized at \$100.

Andy Foster owns an electronics store and donates a TV worth \$500 to your committee. At your committee's auction, Gloria Fernandes bids \$600 for the TV. Itemize \$500 as a nonmonetary contribution from Andy's store. Then, itemize \$500, that part of Gloria's payment which is the fair market value of the TV, as a miscellaneous increase to cash. Also itemize \$100, the amount over the fair market value, as a monetary contribution from Gloria.

Bar Receipts: Funds received by selling drinks at a fundraiser at fair market value are reported as miscellaneous increases to cash, not contributions.

Raffle Tickets: Receipts from the sale of raffle tickets at a fundraiser are reported as contributions. Items donated for raffle prizes are reported as nonmonetary contributions. (Note that Penal Code section 319 imposes some restrictions on raffles.)

Intermediary

An intermediary is a person or entity that makes a contribution on behalf of another person and has been or will be reimbursed for the contribution. For each contribution of \$100 or more from an intermediary, the name, address, and, if applicable, the occupation/employer information must be disclosed for both the true source of the contribution and the intermediary.

Examples Berry Barr and Vienna Waltz each made a \$100 contribution from their personal funds to support Tina Baker for city council, with the understanding that they would be reimbursed by their employer, the Music Company. Berry and Vienna must tell the committee that they are acting as intermediaries on behalf of their employer, the Music Company. Tina's campaign statement must show the \$200 contribution from the Music Company, and also Berry Barr and Vienna Waltz as intermediaries of \$100 each.

The Playa del Sol Stockbrokers Emporium requested its employees to attend a fundraiser for Megan Waters, a candidate for mayor, with the intent of reimbursing the employees for their contributions. The employees informed Megan that their contributions would be reimbursed by the Emporium. When the committee's treasurer completed the committee's Form 460, he reported the total of the contributions coming from Playa del Sol Stockbrokers Emporium and reported those employees who contributed \$100 or more as intermediaries for the Emporium.

A corporation has asked its employees to make personal contributions to Friends of Joshua Monet, a candidate's committee, with the intent of reimbursing its employees for the contributions they make. Neither the employees nor the corporation inform the committee that the employees will be

reimbursed. The corporation and the employees have violated the Act.

Candidates and committees are required to check and, if necessary, correct any information regarding the true source of a contribution that a person of reasonable prudence would question based on all of the surrounding circumstances. If there is reason to question the source of a contribution, i.e., if there is reason to believe the information contained on the contribution check does not contain the name of the person who is actually making the contribution, the donor should be asked if he or she is acting as an intermediary for the true source of the contribution.

Joint Checking Accounts and Business Accounts

Individuals (including spouses) may make separate contributions from a joint checking account. For reporting purposes, the full amount of the contribution is reported as coming from the individual who signs the check. If two or more individuals sign the check, the contribution is divided equally between or among the signers, unless there is an accompanying document signed by each individual whose name is printed on the check which clearly indicates a different apportionment.

Example Linda and Jerry Nelson have a joint checking account. From this account, Linda signed a \$100 check payable to Friends of Joshua Truman. The committee identifies Linda Nelson as the contributor of the full \$100.

A check drawn on a joint checking account that is signed by an individual not listed on the check (e.g., an accountant) must be accompanied by a document signed by at least one of the individuals listed on the check stating to whom the check is to be attributed.

Generally, if a check is drawn on the account of a business entity, the contributor is the business entity, not the person who signs the check.

Minor Children

A contribution made by a child under the age of 18 is presumed to be a contribution from his or her parent or guardian, unless the facts show otherwise, e.g., that the child actually chose to make the contribution.

Transfers and Carryover from a Prior Campaign

Candidates who have more than one campaign bank account and controlled committee may transfer funds from one account/committee to another. However, candidates who are defeated in an election or leave office must transfer campaign funds to an account for a future election prior to the end of the semi-annual period following the election in which the candidate was defeated, or prior to leaving office, whichever is later. If the funds are not transferred by this time, they are considered "surplus funds" and may not be used for a future election. (See Chapter 9.)

The committee receiving the transferred funds reports them on Schedule I of Form 460. The committee making the transfer reports it on Schedule E.

Example Barbara Taylor ran for office and was defeated in a June election. She intends to run for a different office in the future. She must transfer any remaining funds to a new election account prior to July 1; otherwise, the funds become "surplus" and may not be used for a future election. She does this by reporting on Form 460, Schedule E for her old committee that a transfer was made to her new account; and on Form 460, Schedule I for her new committee, that transferred funds came into the account.

OuickTIP There are restrictions on transfers of funds to run for state office. See FPPC's Information Manual for State Candidates (Manual 1) for further information.

Contributions from Other Candidates

Candidates and committees may receive contributions, within contribution limits if applicable, from other candidates or officeholders.

Undesignated Contributions

Candidates who are soliciting contributions for more than one office and receive a contribution that has not been designated for a specific office may deposit the contribution in any of their campaign bank accounts.

Undesignated monetary contributions should be deposited in a campaign bank account within 30 days of receipt. Nonmonetary contributions should be allocated to a particular committee within 30 days of receipt or by the deadline for the reporting period in which the nonmonetary contribution is received, whichever is earlier.

\$5,000 Notification to Potential "Major Donors"

Candidates and committees that receive one or more contributions totaling \$5,000 or more in a calendar year from an individual or entity that made the contribution(s) from personal, business, or corporate funds must send the contributor written notice that they may need to file a campaign statement if their contributions to state and local candidates and committees total \$10,000 or more in a calendar year. The notice may be tailored as long as it contains language substantially similar to the language below:

If your contribution(s) to this committee and to other California state or local committees total(s) \$10,000 or more in a calendar year, California law requires you to file a Major Donor Committee Campaign Statement (Form 461). The deadline and location for filing this statement will depend upon the timing and type of contribution(s) you have made. In addition, once you become a major donor, you are required to file a late contribution report within 24 hours if you make contributions totaling \$1,000 or more to a single candidate, his or her controlled committee, or to a committee primarily formed to support or oppose a candidate or ballot measure during the 16 days before the election in which the candidate or ballot measure is being voted upon or make contributions totaling \$1,000 or more to a state or county political party committee during the 16 days prior to a state election.

Failure to file campaign statements may result in late filing penalties (\$10/day) and fines (up to \$5,000/violation). For more information, contact the Fair Political Practices Commission toll free at (866) 275-3772 or refer to their website: www.fppc.ca.gov.

Additionally, if you make contributions of \$50,000 or more in a calendar year in California and some or all of those contributions are to state candidates, committees, or ballot measures, you are required to file your Form 461 electronically with the Secretary of State. For more information on the electronic filing requirements, contact the Secretary of State's office at (916) 653-6224.

The notice is not required if the source of the contribution is an existing committee, because it already is required to file campaign statements.

The notice must be sent, faxed, or emailed to the contributor within two weeks of receipt of the \$5,000 contribution(s). No further notices are required for subsequent contributions received from the same contributor within the same calendar year.

A copy of each notice or a record of all notices showing the date sent, faxed, or emailed, and the name and address of the person receiving the notice must be retained.

Valuing Nonmonetary Contributions

This section provides assistance in determining how to value nonmonetary contributions so that they may be reported accurately. The varieties of nonmonetary contributions are vast, so not all possibilities are presented. Contact the FPPC for assistance.

Fair Market Value

When a nonmonetary contribution is received, the fair market value of the goods or service must be reported.

The owner of an audio-visual store donates a television set worth \$500 to your committee for sale at an auction. Although the set costs the store owner less than \$500, the fair market value of the television (the amount it would cost any member of the public to purchase the set from the store) is \$500. Therefore, the nonmonetary contribution from the store owner is \$500.

If a business donates the use of an employee to work on a campaign, the amount the individual is paid for working on the campaign is reportable only if the employee spends more than 10% of his or her compensated time in a calendar month working on the campaign.

Example An accounting firm provides your committee with the services of an accountant during the last month of the campaign. The accountant spends 25% of her time working for the campaign, for which her gross compensation from the accounting firm is \$2,500. The amount of the contribution from the accounting firm is \$2,500.

If a committee receives discounts on goods or services it purchases and the discounts are not offered to the public in the regular course of business, the discount is a nonmonetary contribution which must be reported.

Example Your committee treasurer knows the owner of Janns' Printing Shop and gets the owner to give your committee a 50% discount on the printing of a brochure that normally would cost \$1,200. Your committee has received a nonmonetary contribution of \$600 from Janns' Printing Shop.

Volunteer personal services are not considered to be a nonmonetary contribution.

If the committee does not know the fair market value of a nonmonetary contribution, such as an original piece of artwork, the committee may send a letter requesting that the contributor provide the value of the contribution in writing. The contributor is legally obligated to provide an amount if the value of the contribution is \$100 or more.

Mailings

Generally, the fair market value of a mailing is reported as a contribution when the mailing expressly advocates support of or opposition to a candidate and was made at the behest of the affected candidate or primarily formed committee.

The Treetop Paper Company produces and sends a mailing to support your committee. Although the company receives paper at a discounted rate, report the receipt of a nonmonetary contribution in the amount it would have cost you had you paid fair market value for the mailing.

Multiple Candidates and Measures: If a mailer expresses support of or opposition to more than one candidate or ballot measure,

the fair market value attributable to each may be calculated by prorating the costs among the featured candidates and ballot measures. The prorated value is based on the amount of space allotted to each candidate or measure supported or opposed in the mailer.

Example The Weston Chamber of Commerce produces and mails a one-page flyer urging voters to vote for supervisor candidate Stan Smith and against two ballot measures. Half of the flyer is devoted to supporting Smith and the other half equally opposes the measures. The Chamber coordinates the mailing with candidate Smith, but does not coordinate with any committee set up to oppose the two measures. The total cost of producing and mailing the flyer is \$3,000. Smith has received a nonmonetary contribution valued at \$1.500, and the Chamber has made an independent expenditure of \$750 apiece opposing the two ballot measures.

The value of a mailer that supports or opposes candidates and measures being voted on in different jurisdictions may be prorated based on the number of mailers sent to each candidate or ballot measure's jurisdiction.

Political and Non-Political Material: The cost of a mailing containing both express advocacy in support of or opposition to a candidate and other nonpolitical material can be prorated. Costs directly associated with the political message are reportable by the candidate, including, for example, compensation paid to employees who spend more than 10% of their compensated time in a calendar month producing or mailing the political materials, and the pro rata cost of paper, envelopes, and postage. The allocation may be based on the additional weight of the political material or the comparative number of pages as between the political and non-political material.

Member Communications: Payments made by an organization or its sponsored committee for a communication that supports or opposes a candidate are not contributions or expenditures as long as the communication is made only to the organization's members, employees, or shareholders, or the families of its members, employees, or shareholders. The communication may not be for general public advertising, such as billboards, newspaper ads, or radio or television ads. (See Chapter 3.)

Bulk Rate Permits: Use of an organization's bulk rate permit is a nonmonetary contribution from the organization. If the committee pays the actual postage costs incurred under the bulk rate permit, the fair market value of the contribution is either:

- The price the organization paid for the bulk mailing permit; or
- The difference in postage costs between the bulk mailing rate and that of regular mail.

If the organization pays for the costs of the mailing using its bulk rate permit and the committee does not have such a permit, the value of the contribution is (1) the amount it would have cost to pay for the mailing using regular mail; or (2) the cost of the bulk rate mailing plus the cost of a permit.

Phone Banks

Businesses and other entities will sometimes allow a campaign committee to use their phones to call prospective voters during non-business hours. The fair market value of the use of the phones is calculated to determine the amount reported as a nonmonetary contribution, even if only local calls are made. One method to determine the fair market value is to contact organizations that provide phone banks as a business.

Polls & Surveys

A person or entity that provides data from a public opinion poll or survey to a candidate or committee is making a nonmonetary contribution if the candidate or committee requests the data or the data are used for political purposes. FPPC staff have advised that a formula utilized by the Federal Election Commission may be used for valuing polling or survey data, as long as the formula is used in a reasonable manner to provide a fair estimate. The formula calculates the value based on the age of the data. The chart below illustrates the fair market value of data based on the number of days that pass from the date the entity originally received the data to the date the data were provided to the candidate or committee.

Age of Data	Value
0 -15 days	Full Value
16 - 60 days	50%
61 - 180 days	5%
More than 180 days	No Value

When only a portion of a survey is provided to or for the benefit of a candidate, the nonmonetary contribution is the prorated portion of the total value of the survey.

Example The Chewing Gum Association PAC commissioned a public opinion poll to determine voters' attitudes about candidates running for governor. candidates in a senate district, and a city ballot measure. The PAC provided the poll results to the candidate they supported for governor, those in certain senate districts, and to the committee supporting the city ballot measure. Since only a portion of the data pertained to the senate and city ballot measure elections, these candidates and the ballot measure committee reported a prorated amount when disclosing the nonmonetary contributions received.

Answering Your Questions

- Q. We are holding a \$100-a-plate fundraiser for our committee. The actual cost of the event to our committee will be \$25 per person. When someone gives us \$100 to attend the dinner, do we report \$100 as a contribution, or do we subtract the \$25 cost and report receiving a \$75 contribution?
- A. The cost of the ticket for the fundraiser is the amount of the contribution. Report \$100 as the contribution.
- Q. When we send out a fundraising letter, are we required to put our committee identification number on the invitation?
- A. There is no requirement to put the identification number anywhere on the mailer. However, many campaigns do so because if other committees, or others with their own reporting obligations, contribute to your committee, they will need your identification number to complete their campaign reports.
- Q. We would like to hold a raffle at our next fundraiser. Are there any restrictions on raffles?
- A. The Political Reform Act does not restrict raffles. However, Penal Code 319 does prohibit some raffles. This code is interpreted and enforced by each county's district attorney. Contact the local district attorney where the raffle will be held for further information. Of course, be sure all of the reporting and recordkeeping requirements are met.
- Q. If Jan, my next door neighbor, spends \$1,000 on an event to help raise funds for two different candidates and the event is held in her home, has she made a contribution to each committee?
- A. Yes. The total cost of a home fundraiser must be \$500 or less, or the event will qualify as a nonmonetary contribution.

- This is true no matter how many committees benefit from the event.
- Q. May a non-profit organization hold a joint fundraiser with a political committee?
- A. Yes. However, any costs incurred by the non-profit organization which are not reimbursed by the political committee would be considered to be a nonmonetary contribution from the non-profit to the political committee. The non-profit organization should contact the IRS for any possible restrictions based upon the organization's tax status.
- Q. Three candidates wish to conduct individual polls. A polling firm has offered a reduced rate because all three polls can be combined using one very large sample. Are the candidates receiving contributions from the polling firm because of the discounted fee, and are the candidates making contributions to each other?
- A. To the extent each candidate pays only his or her share of the cost of the poll, the candidates are not making contributions to each other. Additionally, if the polling firm provides the discount as part of its standard business policy of providing discounts in similar situations and does not provide the discount for political purposes, the candidates will not receive a contribution from the polling firm.

Returning Contributions

There are several provisions in the Act and FPPC regulations that regulate the return of contributions.

General Rule: Contributions may be returned to individual contributors as long as the return is reasonably related to a political, legislative, or governmental purpose. "Surplus funds" may be returned to contributors. (See Chapter 9 for information on disposition of surplus funds.)

Reporting: A contribution is not required to be reported if it is not deposited, cashed, or negotiated and it is returned to the contributor before the closing date of the campaign statement on which it would otherwise be reported. A "late contribution" (a contribution of \$1,000 or more received during the last 16 days before an election) is not required to be reported if it is not deposited, cashed, or negotiated and it is returned within 24 hours of receipt. Once a contribution is deposited, cashed, or negotiated, it must be disclosed on the next campaign statement, even if it is subsequently returned. (See Chapter 6 for detailed information on reporting returned contributions.)

Missing Contributor Information: A contribution of \$100 or more must be returned within 60 days of receipt if the candidate or committee has not obtained the contributor's name, address, and in the case of a contributor who is an individual, his or her occupation and employer. (See Chapter 1.)

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

Contribution.
Fair Market Value.
Late Contribution.
Person.
Notification of Contributors.
Contents of Campaign Statement.
Cash and In-Kind Contributions;
Cash Expenditures.
Contributions by Intermediary or Agent.
Contributions Received by Agents
of Candidates and Committees.
Family Contributions.
Affiliated Entities, Aggregation of
Contributions.

85312	Communications to Members of an
	Organization.

85700 Donor Information Requirements; Return of Contributions.

Title 2 Regulations

18215 Contribut

- 18216 Enforceable Promise to Make a Payment.
- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18421.3 Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
- 18423 Payments for Personal Services as Contributions and Expenditures.
- 18427.1 Notification to Contributors of \$5.000 or More.
- 18428 Reporting of Contributions and Independent Expenditures Required to be Aggregated.
- 18430 Committee Controlled by More Than One Candidate.
- 18432.5 Intermediary.
- 18523 Nondesignated Contributions or Loans.
- 18531.7 Payments for Communications Section 85312.
- 18533 Contributions from Joint Checking Accounts.

Chapter 3 Communications

One of the most important aspects of any campaign is communicating with the voters. The Political Reform Act does not regulate the truth or accuracy of political communications, but does require reporting of most payments in connection with flyers, mailers, billboards, radio and television advertising.

Contributions and Independent Expenditures

Generally speaking, when someone, other than the candidate or his or her committee pays for a communication supporting the candidate, the candidate has received a nonmonetary contribution unless the payment was not made "at the behest of" the candidate. Payments for communications supporting a candidate by the use of express advocacy, that are not made at the behest of the candidate are called "independent expenditures," and the candidate is not required to report them, although the person making the independent expenditure may have reporting obligations. In addition, certain other types of communications may not be reportable at all, or may be subject to special reporting requirements. (See Chapter 7 and the definition of "contribution" in Appendix 1.)

Whether a communication is a contribution, an independent expenditure, or some other type of reportable payment depends on several factors, including whether the communication "expressly advocates" the election or defeat of a clearly identified candidate or ballot measure. The information and examples provided below may be of assistance in making that determination. However, it is impossible to address all of the types of communications in a campaign. If presented with specific facts, FPPC staff can provide assistance.

When reviewing this section, it is important to remember the following:

- A candidate may not make independent expenditures from campaign funds to support or oppose another candidate.
- Communications paid for by a candidate's controlled committee that support the controlling candidate, or oppose his or her opponent, are not considered contributions or independent expenditures.
- In most cases, communications paid for by a noncontrolled primarily formed committee that support or oppose a candidate are considered contributions or independent expenditures.

Express Advocacy

A communication expressly advocates support or opposition of a clearly identified candidate when it uses words such as "vote for," "elect," "support," "cast your ballot," "vote against," "defeat," "reject," "sign petitions for," or the communication, taken as a whole, unambiguously urges a particular result in an election.

Clearly Identifies

A communication *clearly identifies* a candidate or measure when the candidate's name, photograph, or status as a candidate or officeholder is used, or the measure's name, popular title, or official title is used. Some flyers may mention a group of candidates by some well-defined characteristic of the group. Even if no specific names are used, these, too, may be communications which *clearly identify* candidates.

Example An individual paid \$4,000 for a newspaper ad stating "Vote for Joe Winner." The communication expressly

advocates support for a clearly identified candidate and must be reported either as a contribution if it was made at the candidate's behest or an independent expenditure if it was not made at the candidate's behest.

Later, the same individual paid \$2,000 for post card-sized flyers that simply stated, "Vote on Election Day." This communication is not reported as a contribution or independent expenditure because it did not expressly advocate support of or opposition to a candidate or measure.

A communication that expressly advocates support of or opposition to a clearly identified candidate or ballot measure is a contribution, if made at the behest of the candidate or committee, or independent expenditure, if not made at the behest of the candidate or committee.

Made at the Behest

A payment is "made at the behest" of a candidate or committee if the payment is made under the control or at the direction of, in cooperation, consultation, coordination, or concert with, at the request or suggestion of, or with the express prior consent of the candidate or committee or an agent of the candidate or committee, and the arrangement occurs prior to the making of the communication.

Expenditures made at the behest of a candidate or committee include expenditures made by a person other than the candidate or committee, to pay for a communication relating to one or more clearly identified candidates or ballot measures if it is created, produced, or disseminated:

 After the candidate or committee has made or participated in making any decision regarding the content, timing, location, mode, intended audience, volume of distribution, or frequency of placement of the communication, or After discussion and agreement between the candidate or committee and the creator, producer or distributor of a communication, or the person paying for that communication, regarding the content, timing, location, mode, intended audience, volume of distribution, or frequency of placement of the communication.

An expenditure is presumed to be made at the behest of a committee if it is:

- Based on information about the candidate's or committee's campaign needs or plans provided to the expending person by the candidate or committee; or
- Made by or through any agent of the candidate or committee in the course of the agent's involvement in the current campaign; or
- For a communication relating to a clearly identified candidate or ballot measure when:
 - The person making the expenditure retains the services of a person who provides either the candidate or the committee supporting or opposing the ballot measure with professional services related to campaign or fundraising strategy for the same election, or
 - The communication replicates, reproduces, republishes, or disseminates, in whole or in substantial part, a communication designed, produced, paid for, or distributed by the candidate or committee.

An expenditure is **not made at the behest** of a candidate or committee just because:

- A person interviews the candidate or candidate's agent on issues affecting the person making the expenditure, or
- The person making the expenditure obtains a photograph, biography, position paper, or press release, or similar material

is provided by the candidate or his or her agent, or

- The person making the expenditure has made a contribution to the candidate or committee, or
- A person makes an expenditure in response to a general, nonspecific request for support by a candidate or committee, provided that there is no discussion with the candidate or committee prior to the expenditure relating to details of the expenditure, or
- The person making the expenditure has invited the candidate or committee to make a public appearance before the person's members, employees, shareholders, or their families provided that there is no discussion with the candidate or committee prior to the expenditure relating to details of the expenditure, or
- A person informs a candidate or committee that the person has made an expenditure, provided that there is no exchange of information, not otherwise available to the public, relating to details of the expenditure, or
- The expenditure is made at the request or suggestion of the candidate or committee for the benefit of another candidate or committee.

Example Citizens for Winner, a non-controlled committee primarily formed to support Joe Winner's candidacy, printed campaign literature stating. "Vote for Joe Winner." The communication included a copy of a photograph the committee obtained from the public information counter at Joe's campaign headquarters. Joe did not in any other way coordinate with the committee in producing the campaign literature. The committee made an independent expenditure, not a contribution to Joe's campaign.

On the other hand, if the committee contacted Joe Winner and arranged for a professional photographer to meet with him for the purpose of taking photographs for the mailer, the committee would be making a nonmonetary contribution to Joe's campaign.

Determinations Based on Facts

As the previous examples illustrate, whether a communication is deemed to be express advocacy and whether the communication is made at the behest of the affected candidate or measure committee, are factual determinations based on the text of the communication and the circumstances associated with it. Although determinations must be made on the facts of each particular situation, the following examples address common situations that may arise in a campaign.

Reporting

There are distinctly different reporting requirements for contributions and independent expenditures.

When a person or group of persons makes expenditures for a communication at the behest of a candidate or committee, the candidate or committee must report the receipt of a nonmonetary contribution. The person making the expenditure may also have to file reports.

Candidates and committees who are the beneficiaries of independent expenditures do not report them. However, the person making the expenditure may have filing obligations.

Example During Joe Winner's campaign, two newspaper advertisements supporting Joe were published without his knowledge or consent. Since the payments for these communications were not made at his behest, they were independent expenditures by the person(s) funding the

ads and were not reportable by Joe's campaign. The person(s) who paid for the ads may have a filing obligation.

Endorsements

An endorsement of a candidate or measure may become a contribution or an independent expenditure when a payment is made in connection with the endorsement.

Example The president of a police officers' association announces at its annual meeting that the association endorses John Law for county sheriff.

Merely making an oral endorsement is not a contribution or independent expenditure to John Law.

Closer to the election, at the request of candidate John Law, the association mails a special flyer to the voters announcing its endorsement of him. Since the mailing was made at the behest of the candidate, the association has now made a nonmonetary contribution to John Law.

Frequently, a candidate will publish his or her endorsement by another official. As long as the communication does not advocate the election of the endorsing official (or the defeat of that official's opponent), a payment made to communicate the endorsement is not a contribution to the endorsing candidate or official, even though the endorsement was made at the behest of both individuals.

Example A city council candidate paid for a mailing which quoted the mayor's verbal endorsement of his candidacy. Although the mayor was also on the ballot, the flyer was not a contribution to the mayor.

If a candidate pays for a communication supporting his or her own candidacy that also supports or opposes a ballot measure, the payment is not a contribution to or independent expenditure made in connection with the ballot measure.

There are times when a candidate pays for a communication that supports another candidate, but the payment is not made at the behest of the endorsed candidate. If the candidate paying for the communication also is included in the communication, and the non-paying candidate is listed on the same ballot as the paying candidate, and the communication is targeted only to the potential voters in the paying candidate's district, no independent expenditure is made.

Example Lynda Isherwood, a city council member running for reelection, sent out a flyer to registered voters in her district asking them to support her candidacy. The flyer also encouraged the voters to vote for Gary Swanson for Governor, although this endorsement was not made at Gary's behest. Because the gubernatorial election and city council election would appear on the same ballot for those living in Lynda's district, and the flyer was sent only to voters in Lynda's district, the payment for the flyer is not an independent expenditure.

Non-Contributions

Debates: A payment for a debate or similar forum in which to least two candidates running for the same office are invited is not a contribution to the candidates, if the debate is sponsored by a nonpartisan organization.

Example The League of Women Voters invited all candidates for city council to speak at a forum. Only one candidate attended. Because at least two candidates running for the same office were invited, the cost of the meeting is not a contribution to the candidate who attended.

Similarly, a payment for a debate or forum sponsored by a political party or a committee affiliated with a political party is not a

contribution if a majority of the candidates for the party's nomination are invited to participate.

Meetings: A payment made by a bona fide service, social, business, trade, union, or professional organization for reasonable overhead expenses associated with a regularly-scheduled meeting at which a candidate speaks is not a contribution if the organization pays no additional costs in connection with the speaker's attendance.

Example At a union's regularly-scheduled monthly meeting, one candidate was invited to solicit votes. The union did not incur any additional costs in connection with the speaker's presentation, so no contribution was made.

Member Communications: Payments made by an organization or its sponsored committee for a communication that supports or opposes a candidate are not contributions or expenditures as long as the communication is made only to the organization's members, employees, or shareholders, or the families of its members, employees, or shareholders. The payments may not be for general public advertising, such as billboards, newspaper ads, or radio or television ads. If made by the organization's sponsored committee, the committee would report the payments as general member communications.

Example Your campaign consultant asks a labor organization to send a mailing supporting your election. The mailing will be sent only to the organization's membership. The mailing is not a contribution to you. Later, the campaign consultant asks the organization to send the mailing to all registered voters in your district. The mailing to the voters is a contribution to you.

Payments made by a political party for a communication that supports a candidate are not contributions to the candidate as long as the communication is distributed only to the party's members, employees, and families of its members and employees. However, the party must report the payments as if they were contributions or independent expenditures.

The Green Party pays for a mailing supporting your candidacy to all of its members five days before your election. The cost of the mailing exceeds \$1,000. The Party must file a late contribution report. You are not required to disclose the mailing as a contribution.

News Stories: A payment for the cost of publishing or broadcasting a news story, commentary, or editorial is not a contribution when the payment is made by a federally regulated broadcast outlet or a regularly published newspaper, magazine or other periodical of general circulation that routinely carries news, articles, and commentary of general interest.

Non-Political Communications: A payment made at the behest of a candidate, which is for a communication by the candidate or any other person, is not a contribution to the candidate if the communication:

- · Does not contain express advocacy; and
- Does not make reference to the candidate's candidacy for elective office, the candidate's election campaign, or the candidate's or his or her opponent's qualifications for office; and
- Does not solicit contributions to the candidate or to third persons for use in support of the candidate or in opposition to the candidate's opponent.

Sender Identification

Committee to Elect Waters Mayor 10 Parkway Plaza Playa del Sol, CA 95888



Sharon Eshenaur 620 McFadden Street Playa del Sol, CA 95888

Voter Registration: A payment made at the behest of a candidate as part of voter registration or get-out-the-vote activities is not a contribution if the communication does not expressly advocate the candidate's election.

Example At the behest of an elected official, an organization paid for a voter registration booth at a local fair. No other literature was distributed at the booth. The payment for the voter registration booth was not a contribution to the official.

Voting Records: An entity may publish the voting records of public officials. As long as only the voting records are published, the communication is not considered a contribution or an independent expenditure.

Identification Requirements for Mailings

Contribution Solicitations

When a candidate or controlled committee sends a written solicitation for contributions, the solicitation must identify the name of the controlled committee.

Mass Mailings

A "mass mailing" is more than 200 similar pieces of mail sent in a single calendar

month. The Political Reform Act contains sender identification requirements for mass mailings that are "mailed" (e.g., USPS, FedEx) to a person's home, business, or post office box.

Solicitation letters, notices of fundraising events, newsletters sent by the candidate or committee, and other types of campaign literature are common types of mass mailings.

The Political Reform Act does not regulate the truth or accuracy of mail or other campaign-related advertisements or materials.

Sender Identification Requirements Sent by One Candidate or Committee

The name of the candidate, his or her street address, city, state, and zip code must be placed on the outside of each piece of mail in no less than 6-point type and in a color or print which contrasts with the background so that it is easily read. If a single candidate's controlled committee is sending the mailer, the name of the committee may be placed on the outside of the mailer if the committee's name contains the name of the candidate. A post office box may be used as the address only if the committee's street address is on its Statement of Organization (Form 410) on file with the Secretary of State.

Sent by Two or More Candidates or Committees

The name and address of the candidate (or committee, if its name includes the candidate's name) who is paying the greatest share of the mass mailing, including costs for designing, postage, and printing, must be placed on the outside of each piece of mail as described above.

If two or more candidates pay equally for the mailer, the name and address of at least one of the candidates (or committees, as noted above) must be shown on the outside as described above, and the names and addresses of all candidates (or committees) must appear on at least one insert.

Primarily Formed Committee

If a primarily formed committee sends a mass mailing, the name and address of the committee must appear on the outside of each piece of mail in no less than 6-point type and in a color or print which contrasts with the background. A post office box may be used in lieu of the street address only if the committee's street address is reported on the Statement of Organization (Form 410) on file with the Secretary of State.

Required Recordkeeping

For each mass mailing, the following must be retained for a period of four years:

- · A sample of the mailing;
- A record of the date;
- The number of pieces sent; and
- · The method of postage used.

Answering Your Questions

- Q. Must the committee's identification number appear on a mailing?
- A. No
- Q. If a business entity includes a copy of a candidate's flyer in its regular monthly

- mailing, is the candidate required to be identified on the outside of the mailer?
- A. No. The candidate's name and address must be identified on the flyer only.
- Q. A committee has more than one address. Which address must be used on mass mailings?
- A. Any address that also appears on the committee's Statement of Organization (Form 410) on file with the Secretary of State may be used.
- Q. A committee pays for a candidate's mailing as a nonmonetary contribution. Which committee must be identified on the outside, the committee paying for the mailing or the candidate's committee?
- A. Only the committee that pays for the mailing is required to be identified on the outside of the mailing.
- Q. A labor union pays for a mailing advocating the election of a candidate for county supervisor. The mailing list includes both union members and non-union members and 20% of the mailing costs are attributed to non-union members. Must the candidate report the full cost of the mailing as a non-monetary contribution?
- A. No. The candidate may pro-rate the cost and report as a nonmonetary contribution the mailing costs for the non-union members.
- Q. If a committee is sending a post cardtype mailing, may the name of the committee appear only once?
- A. Yes.
- Q. Where on the outside of the mailing must the candidate or committee identification be placed?
- A. There is no specific requirement for location of the identification, as long as it appears somewhere on the outside of the mailing.

Identification Requirements for Advertisements

In addition to the rules for mass mailings, the Political Reform Act requires identification and disclosure on certain other advertisements and communications.

If a primarily formed committee makes an independent expenditure for a broadcast or mass mailing advertisement to support or oppose a candidate or ballot measure, the mailing or ad must identify the committee's name and the names of the committee's top two donors of \$50,000 or more. If the committee can show that the top two donors' contributions have been used for expenditures unrelated to the independent expenditure, the committee must disclose the contributors making the next largest contributions of \$50,000 or more. (For mass mailings, this is in addition to the sender identification requirements discussed earlier.) A candidate's controlled committee must include the same information on any independent expenditure it makes to support or oppose a ballot measure. Different identification requirements exist depending on whether the advertisement is made by video, radio, or print and when acronyms are used. Contact the FPPC for detailed information.

Candidates and committees that use campaign funds to make 500 or more phone calls in support or opposition of candidates or ballot measures must disclose during the phone call the name of the organization that authorized or paid for the call. Committees may not contract with phone bank vendors who do not disclose this information. This requirement does not apply to calls that are personally made by the candidate, campaign manager, or volunteers. A script of the call or a copy of the recorded phone message must be kept for four years.

When any committee makes expenditures totaling \$5,000 or more for an individual's

appearance in a printed, televised, or radio advertisement, or in a telephone message, that supports or opposes the qualification or passage of a state or local ballot measure, the advertisement must include a statement that the individual is being paid by the campaign or its donors. In addition, the Paid Spokesperson Report (Form 511) must be filed. (See Chapter 7.)

No identification or disclosure is required by the Political Reform Act on the following items when paid for by a candidate in support of his or her own campaign:

- Lawn signs
- Billboards
- Campaign literature that is distributed by some means other than mail, such as handouts at fundraisers or shopping malls, or door hangers
- Radio or television advertisements (these are regulated by the Federal Communications Commission)
- · E-mails, faxes, or web site pages

Authority

82015

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

Contribution

02010	Contribution.
82025	Expenditure.
82031	Independent Expenditure.
82041.5	Mass Mailing.
82044	Payment.
82047	Person.
84211	Contents of Campaign Statement.
84305	Requirements for Mass Mailing.
84310	Identification Requirements for
	Telephone Calls.
84503	Advertisement for or Against Ballot
	Measures.
84506	Independent Expenditures;
	Advertisements

84511 Ballot Measure Ads, Paid Spokesperson Disclosure.
85312 Communications to Members of an Organization.
85501 Prohibition on Independent Expenditures by Candidate Controlled Committees.

Title 2 Regulations

Title 2 Ke	egulations
18215	Contribution.
18225	Expenditure.
18225.7	Made At the Behest of.
18401	Required Recordkeeping for
	Chapter 4.
18435	Definition of Mass Mailing and
	Sender.
18450.1	Definitions. Advertisement
	Disclosure.
18450.4	Content of Disclosure Statements
	Advertisement Disclosure.
18450.11	Spokesperson Disclosure.
18523.1	Written Solicitation for
	Contributions.
18531.7	Payments for Communications -

Section 85312.

Chapter 4 Getting Started

Before money is raised or spent in connection with an election, the candidate and committee treasurer should become familiar with the various campaign disclosure forms applicable to the type of campaign or committee involved.

Candidates and Controlled Committees

Candidates must file the Candidate Intention (Form 501) before raising or spending any money, including the candidate's personal funds. (Personal funds of the candidate may be used to pay filing or ballot statement fees prior to filing Form 501.) Subsequent filings depend upon the amount that will be raised or spent.

If any monetary contributions will be received from others, a separate campaign bank account must be opened. (See Chapter 1.)

Less than \$1,000

If less than \$1,000 will be raised or spent in a calendar year, including the candidate's personal funds, the Officeholder/Candidate Campaign Statement—Short Form (Form 470) may be filed by the candidate once each year. However, if after filing the Form 470, \$1,000 or more is received or spent, the Statement of Organization (Form 410) and the Recipient Committee Campaign Statement (Form 460) must be filed. The Form 470 Supplement may also be required.

Personal funds of the candidate used to pay filing or ballot statement fees are not counted toward the \$1,000 threshold.

\$1,000 or More

Candidates who will raise or spend \$1,000 or more in a calendar year must:

• File the Form 501:

- Set up a bank account;
- File the Statement of Organization (Form 410) within 10 days of raising or spending \$1,000 or more; and
- File the Recipient Committee Campaign Statement (Form 460) disclosing receipts and expenditures. (See Chapter 6.) Additional reports also may be required. (See Chapter 7.)

Primarily Formed Committees

A primarily formed committee must file the Statement of Organization (Form 410) within 10 days of raising or spending \$1,000 in a calendar year.

Depending on the committee's level of activity, the Form 425, 450, or 460 is used to report campaign activity. (See Chapter 6.) Additional reports also may be required. (See Chapter 7.)

Primarily formed committees do not file Forms 501 or 470.

Form 501 Candidate Intention Statement

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Candidate Intention (Form 501) When and Where to File

Before any contributions are solicited or received, and before any campaign expenditures are made from personal funds, candidates must file Form 501. A new Form 501 must be filed for each election, even if the candidate is running for reelection.

Superior Court candidates file with:

Secretary of State
Political Reform Division
1500 11th Street, Suite 495
Sacramento, CA 95814

Candidates for other local offices file Form 501 with the local filing officer (city clerk, county clerk/registrar of voters) with whom the candidate will file his or her original campaign statements. (See Chapter 5.)

The Form 501 is considered filed when it is placed in the mail. The date of postmark is the date filed.

How to Complete Form 501

Type of Statement

Check one of the following boxes indicating the type of statement being filed:

- Initial If this is the first Candidate
 Intention Statement being filed for this election.
- Amendment If any change occurs on a previously filed Form 501; for example, a change of address.

Candidate Information

Provide the candidate's full name, street address, and a daytime telephone number. (A business address may be used.) Providing a fax number or e-mail address is optional.

Office Sought

Enter the title of the office sought, e.g., Supervisor.

District Number

Enter the district number or letter, if applicable.

Office Jurisdiction

Check one box indicating the jurisdiction of the office being sought and enter the name of the city or county, if applicable.

- Multi-County Candidates seeking an elective office where the jurisdiction of the agency contains parts of two or more counties. (This does not include candidates for the Legislature, State Board of Equalization, or appellate or superior court. See FPPC's Information Manual for State Candidates (Manual 1).)
- County of Candidates seeking an elective county office (including superior court judge and most school board members). Provide name of county.
- City of Candidates seeking an elective city office. Provide name of city.

Year of Election

Enter the year of the election for the office being sought. Month and day are not required.

State Candidate Expenditure Limit Statement

This section does not apply to local candidates; it applies only to candidates for State Assembly and Senate, and candidates seeking statewide office.

Verification

Form 501 is not considered filed if it is not signed.

Answering Your Questions

- Q. Am I required to file a document to withdraw as a candidate?
- A. The FPPC does not administer the laws which govern what candidates must do to

- appear on a ballot or to remove their names from a ballot. Contact your local filing officer.
- Q. Am I required to file Form 501 if I will set up a committee to fight my recall?
- A No
- Q. Am I required to file a Form 501 if I am a replacement candidate in a recall election?
- Yes. Replacement candidates must file a Form 501.
- Q. Am I required to file Form 501 when I run for reelection to the same office?
- A. Yes. If you seek reelection to the same office, you are required to file an "Initial" Form 501 prior to raising or spending any money for the new election.
- Q. When may I begin to solicit and raise funds for my election?
- A. You may solicit and receive funds as soon as you have placed the Form 501 in the mail.
- Q. Are candidates who are seeking election to a particular district or seat, e.g., city council or a community college board of trustees, required to specify the district/ seat on the Form 501?
- A. Yes. Each district/seat on the city council or the community college board of trustees is considered a specific office.

 Note: The "district number" is not applicable for candidates running for mayor or city council at large.
- Q. I have completed the process to be an official write-in candidate. Do I have any reporting obligations?
- A. Yes. You have the same reporting obligations as any other candidate.

Officeholder and Candidate Campaign Statement – Short Form (Form 470)

The Form 470 may be filed by a candidate or officeholder who does not anticipate raising or spending \$1,000 or more in a calendar year. Payments from the candidate's personal funds used to pay filing or ballot statement fees do not count toward the \$1,000 threshold.

Form 470 may not be used if the candidate or officeholder has an existing controlled committee established for a past election, future election, or ballot measure (including recalls).

There are special exceptions, discussed below, that apply to judges and unpaid elected officeholders (officeholders who receive salaries less than \$200 a month).

When to File

Form 470 is filed once each year on or before the filing deadline for the first semi-annual statement (July 31) or the first preelection statement filed in connection with an election, whichever occurs first. Preelection filing deadlines can be obtained from your local election official.

If the Form 470 is filed and, later in the calendar year, \$1,000 or more is raised or spent, the candidate's filing deadlines and forms will change. (See Form 470 Supplement.)

Filing Form 470 During Election Years Officeholders

If an officeholder will be listed on a ballot during the first six months of the calendar year, Form 470 (covering the year of the election) may be filed with the declaration of candidacy but must be filed no later than the filing deadline for the first preelection statement required in connection with the election. If the election will be held during

the last six months of the calendar year, the Form 470 must be filed no later than July 31. Enter the election date on this Form 470.

Non-Incumbent Candidates

If a candidate will be listed on the ballot in the first six months of the calendar year, Form 470 (covering the year of the election) may be filed with the declaration of candidacy but must be filed no later than the filing deadline for the first preelection statement required in connection with the election.

A candidate who will be listed on the ballot in the last six months of the calendar year and receives contributions or makes expenditures:

- Before June 30: Files Form 470 by July 31.
- After June 30: May file Form 470 with the declaration of candidacy, but no later than the filing deadline for the first preelection statement required to be filed in connection with the election.

Example Non-incumbent judicial candidate Janice Chambers is listed on the November ballot. She does not intend to raise or spend \$1,000 in connection with her election. By June 30, she had received no contributions and her only expenditures were for the filing and ballot statement fees paid for with her personal funds. Janice is required to file Form 470 by the first preelection filing deadline.

Non-Election Years

Officeholders

Generally, officeholders who will not be in an election during the calendar year file the Form 470 no later than July 31.

Non-Incumbent Candidates

Non-incumbent candidates who raise or spend funds less than \$1,000 during a non-election year also must file statements for

that year. The Form 470 must be filed on or before July 31 if funds are raised or spent during the first six months of the calendar year. The Form 470 must be filed on or before January 31 if funds are raised or spent during the last six months of the previous calendar year (and no funds were raised during the first six months).

Example In November 2007, non-incumbent candidate Joe Lim spent \$400 in connection with an election in which he is seeking office, the election will be held in June of 2008. Since Joe did not raise or spend a total of \$1,000 during the calendar year, he filed a Form 470 by January 31, 2007, which covers his reporting obligations for the entire year. Joe will also file a Form 470 by the first preelection deadline for the election in 2008, assuming he will not raise or spend \$1,000 or more during 2008.

Candidates running in an election in the first three months of the year may be required to file Form 470 in October, November, or December of the previous non-election year, as well as in the election year. The candidate should review the filing schedule provided by the filing officer.

Example Sonja Hansen, a city council candidate, will be on the ballot in February. Her first preelection statement for this election is in December of the previous year. Since she does not intend to raise or spend \$1,000 during this calendar year, she files a Form 470 by the first preelection statement due date. The second preelection statement is due in January. Since her first Form 470 covered the period ending December 31 only, and because she does not intend to raise or spend \$1,000 during the year of the election, she files another Form 470 covering the entire calendar year of the election by the second preelection statement deadline.

Judges and Unpaid Elected Officeholders

Unpaid officeholders (defined in the Act as those who receive less than \$200 per month for serving in office) and judges are not required to file Form 470 for any semi-annual period (January 1 - June 30 or July 1 - December 31) in which they are not listed on the ballot and do not receive any contributions or make any expenditures.

To determine whether \$200 has been received, only the elected official's fixed compensation for services (i.e., salary) need be counted; payments for health benefits, reimbursement for expenses (including travel expenses), or per diem received from the elected official's agency need not be counted toward the \$200.

This exception applies even if a judge or unpaid officeholder has a controlled committee, as long as the committee has not received any contributions or made any expenditures (excluding bank fees and interest).

Election Years

During an election year, the deadline for filing the Form 470 will depend on the date of the election. Judges and unpaid officeholders running in an election during the first six months of the year may file Form 470 (covering the year of the election) with the declaration of candidacy, but no later than the filing deadline for the first preelection statement required in connection with the election.

If the election will be held during the last six months of the year, the Form 470 must be filed by July 31 if any funds were raised or spent (other than the candidate's personal funds for a filing or ballot statement fee) between January 1 and June 30. If no contributions were received or expenditures made by June 30, the Form 470 may be filed with the declaration of candidacy, but no later than the filing deadline for the first preelection

statement required in connection with the election.

Example Judge Mercado is listed on the November ballot and anticipates raising and spending less than \$1,000 for his reelection. By June 30, he had received no contributions since January 1 and his only expenditures were for the filing and ballot statement fees paid for with his personal funds. The judge is not required to file by the July 31 semi-annual filing deadline, but must file a Form 470 by the first preelection filing deadline.

Where to File Form 470

Superior Court Judge

- Original and one copy with: Secretary of State 1500 11th Street, Ste. 495 Sacramento, CA 95814
- Two copies with the county clerk or registrar of voters.

Multi-County Office

For local offices in agencies with jurisdiction in two or more counties:

- Original and one copy with the county with the largest number of registered voters in the jurisdiction; and
- Two copies with the candidate/ officeholder's county of domicile, if different from the county receiving the original.

County Office

- Original and one copy with the county clerk or registrar of voters; and
- Two copies with the candidate/ officeholder's county of domicile, if different from the county receiving the original.

City Office

Original and one copy with the city clerk.

Form 470 Officeholder and Candidate Campaign Statement

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How to Complete Form 470

Date of Election

If the candidate or officeholder is running in an election during the calendar year, indicate the month, day, and year of the election.

Period Covered

The period covered is always the calendar year.

Officeholder or Candidate Information

Provide the candidate/officeholder's name, a daytime telephone number, and a residential or business address. A post office box number, Mail Boxes Etc. street address, or some similar service's street address may not be used.

Office Held or Sought

Indicate the office being held and/or sought and provide the location and district number of the office, if applicable.

Committee Information

A candidate or officeholder who is aware of a primarily formed committee that is receiving contributions and making expenditures on behalf of his or her candidacy must disclose the primarily formed committee's name, identification number, address, and the name of the treasurer.

Example Sunny Tyme's neighbors formed the Concerned Citizens'
Committee for the purpose of getting her elected as mayor. Sunny is aware of the committee but has no involvement with its day-to-day activities. Sunny discloses this committee on her Form 470.

Verification

The Form 470 is not considered filed if it is not signed. The officeholder/candidate must sign and date the form.

Answering Your Questions

- Q. What reporting period does the Form 470 cover?
- A. Form 470 is filed once each calendar year and covers the entire calendar year. When you file Form 470 covering the year of the election with your declaration of candidacy, or on or before the deadline for filing your first preelection statement, you do not need to file any additional campaign statements as long as neither your total receipts nor your total expenditures are \$1,000 or more during the calendar year.
- Q. If I am a non-incumbent candidate, am I required to file a Form 470 in connection with my election if I am running unopposed, my name does not appear on the ballot, and the only expenditure I make is from personal funds for a filing or ballot statement fee?
- A. No. A Form 470 is not required.
 However, once you assume office, a Form 470 may be required.
- Q. As a member of a county central committee, am I required to file a Form 470 for years when I will not appear on the ballot?
- A. In connection with your county central committee office, file the Form 470 only if you receive a contribution or make campaign expenditures of less than
 \$1,000 in a calendar year, or will appear on the ballot in that year.
- Q. If I am in a January election and will not raise or spend \$1,000 in connection with that election, when am I required to file Form 470?
- A. File Form 470 in the preceding November, the deadline for filing your first preelection statement in connection with the January election. In addition, if your second preelection statement is due

- in January, another Form 470 must be filed. The reason for this is because a Form 470 is filed in each calendar year. The first Form 470 covers the calendar year preceding the election, and the second Form 470 covers the calendar year in which the election takes place.
- Q. I am running as a non-incumbent for city council in November 2008. I filed a Candidate Intention Statement (Form 501) and Statement of Organization (Form 410) to form a committee on May 1, 2008. If I have not raised or spent \$1,000 by June 30, 2008. should I file Form 470 or Form 460 by the July 31 semi-annual due date?
- A. Because you intend to raise \$1,000 or more during 2008, you should file Form 460. Form 470 is filed only when a candidate has not raised \$1,000 or more and does not intend to raise \$1,000 or more in the calendar year. (If you file Form 470 as a semi-annual statement and ultimately receive or spend \$1,000 or more during 2008, refer to the requirements for filing the Form 470 Supplement.)
- Q. I am a city council member and I closed my campaign committee in March. May I file the Form 470 for the statement due July 31?
- A. No. You may not file the Form 470 if you have had a committee open at any time during the calendar year, or intend to have one later in the year. You must continue filing the Form 460 as an officeholder for the remainder of the calendar year. The Form 470 may be filed the following calendar year if you do not have, nor intend to have, a committee for that entire calendar year.

Form 470 Supplement

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Form 470 Supplement

If a candidate files a Form 470 covering a calendar year in which the candidate is running in an election (i.e., with the declaration of candidacy, in lieu of a first preelection statement, or for the June 30 semi-annual filing) and later receives contributions totaling \$1,000 or more, or makes expenditures totaling \$1,000 or more, prior to the election, the candidate must send a Form 470 Supplement or other written notice.

When and Where to File

The Form 470 Supplement must be filed within 48 hours of receiving or spending \$1,000.

The notification is sent to:

- · Secretary of State's Office;
- Each candidate seeking the same office; and
- City or county clerk, or county registrar of voters, if the candidate is running for a city or county office.

Method of Delivery

The notification must be sent via guaranteed overnight delivery, personal delivery, or fax.

Content of Notification

The Form 470 Supplement is included in the Form 470, or the candidate may provide the following information on a blank piece of paper:

- The candidate's name, address, and daytime telephone number;
- The elective office sought and district number, if applicable;
- · The date of the election; and
- The date contributions or expenditures totaling \$1,000 or more were received or made.

The candidate also must file a Statement of Organization (Form 410) and begin filing the Recipient Committee Campaign Statement (Form 460). (See Chapter 6.)

Answering Your Questions

- Q. I am in an election in June of this year and filed a Form 470 for last year because I had activity in December. Am I required to file a 470 Supplement if I receive contributions totaling more than \$1,000 in January?
- A. No. If you file a Form 470 in connection with your election (either with your declaration of candidacy or on the first preelection deadline), a Form 470 Supplement would be required if you raise or spend \$1,000 or more in the year of the election.

Statement of Organization (Form 410)

A person or group that receives \$1,000 or more in contributions in a calendar year qualifies as a recipient committee and must file Form 410. The Form 410 identifies the name of the committee and provides the public information regarding the committee's purpose and its officers.

When and Where to File

The original and one copy of the Form 410 is filed with the Secretary of State within 10 days of receiving \$1,000 or more.

Secretary of State Political Reform Division 1500 11th Street, Suite 495 Sacramento, CA 95814

Candidates for local office and committees formed to support or oppose candidates for local offices also must file a copy of the Form 410 with the local filing officer (city clerk, county clerk/registrar of voters) with whom the committee will file its original campaign statements. (See Chapter 5.)

The Form 410 may be filed prior to raising \$1,000 and then must be amended within 10 days of reaching the \$1,000 threshold to

disclose the date qualified as a committee. (See below for how to amend a Form 410.)

Upon receipt of the Form 410, the Secretary of State's office will assign the committee an identification number. This number is used on all reporting forms. Once assigned, the identification number will be posted on the Secretary of State's website (www.sos.ca.gov) and written notification will be sent to the committee treasurer. Contact the Secretary of State's office at (916) 653-6224 with questions about obtaining a committee identification number.

Candidate Controlled Committees

Personal funds used to pay the filing and ballot statement fees do not count toward the \$1,000 threshold for qualifying as a committee. However, all other personal funds used in connection with the election are counted.

Example On February 15. Megan Waters, a candidate for mayor, opened her campaign bank account with a personal loan of \$1.500. By February 25. Megan must either mail or personally deliver the Form 410 to the Secretary of State and a copy to the city clerk.

Primarily Formed Committees

Example A group of neighbors joined forces to help elect Sunny Tyme, a candidate for mayor. On March 1, the group received 10 checks of \$100 each. Because they qualified as a committee on that date, they must mail or personally deliver a Form 410 to the Secretary of State and a copy to the city clerk no later than March 11.

24-Hour Deadline

A committee that qualifies during the last 16 days before the election must file Form 410, or the information required on the 410, within 24 hours of qualifying. The information must

be provided to the filing officer with whom the committee will be filing its original campaign disclosure statements, by fax, guaranteed overnight delivery, or personal delivery. In addition, an original Form 410 must be filed with the Secretary of State within 10 days of qualifying as a committee (regular mail may be used).

Example Fourteen days before the city election, candidate Lilly Pond received a contribution of \$900, bringing her cumulative contributions received to date to \$1,250. Because she qualified as a committee within 16 days before her election. she must file the information contained on the Form 410 with her city clerk within 24 hours of qualifying as a committee. She must also file an original Form 410 within 10 days with the Secretary of State. Because she did not anticipate receiving or spending \$1,000 during the calendar year, Lilly filed a Form 470 as a first preelection statement. Within 48 hours, she must file the Form 470 Supplement with the Secretary of State, her city clerk, and provide a copy to all her opponents. The Form 470 Supplement must be sent to all recipients by guaranteed overnight delivery, fax, or personal delivery.

Amendments

When any information on the Form 410 changes, an amendment must be filed within 10 days of the change. To amend:

- The "Amendment" box is checked at the top of the Form 410 and the committee's identification number entered;
- The name of the committee must be provided;
- The information that has changed is included; and
- The verification is signed. In the case of a controlled committee, both the treasurer and the candidate(s) must sign.

Example In January, Cynthia Doorman, a city council candidate, filed a Form 410 prior to qualifying as a committee. On February 10, Cynthia received a number of contributions totaling more than \$1,000. By February 20, Cynthia must have either mailed or personally delivered an amended Form 410 to the Secretary of State and a copy to her city clerk showing the date the committee qualified.

24-Hour Deadline for Amendments

If, during the last 16 days before the election, the committee changes:

- The name of the committee:
- The treasurer or other principal officers;
- Any candidate who controls the committee; or
- Any committee with which the committee acts jointly,

the amended information must be filed within 24 hours with the filing officer with whom the committee files its original campaign statements. The information must be delivered by guaranteed overnight delivery, personal delivery, fax, or online transmission if the filing officer is capable of receiving notification in that manner. In addition, local committees must file an amended Form 410, with an original signature, with the Secretary of State within 10 days of the change.

Using Funds for a Future Election Controlled Committee

An amendment to the Form 410 is required for a local candidate to "redesignate" a campaign committee and bank account for a future election to the same office. An incumbent intending to seek reelection may redesignate any time prior to receiving contributions in connection with reelection. A defeated candidate intending to run for the same office in a future election must redesignate the committee and bank account

before the end of the post-election reporting period. Failure to do so restricts the use of leftover campaign funds. (See Chapter 8 for further discussion.)

Examples Dolores Sunghi was an unsuccessful candidate in the June election. Dolores must redesignate the committee and bank account no later than June 30 of the same year, the end of the post-election reporting period, if she wishes to use those funds for a future election.

Joe Winner is seeking reelection to the city council. He wishes to use the same committee and bank account. In order to do so, Joe files a Form 410, checking the amendment box and indicating the year of the election. After filing the Form 501 for the new election, Joe is free to raise and deposit campaign contributions into the bank account.

A local candidate's committee and bank account may be redesignated for a future election only if:

- The future election is for the same elective office;
- The funds in the campaign bank account/ committee are not considered "surplus campaign funds" (see Chapter 9);
- The candidate amends the committee's Form 410 to reflect the redesignation for the future election;
- The candidate files a new Form 501,
 Candidate Intention Statement, for the specific future election; and
- There are no local laws prohibiting the redesignation.

Primarily Formed Committee

A primarily formed committee may remain open after the election to support or oppose other candidates or ballot measures. The Form 410 should be amended to reflect the

change in the "Type of Committee." (See instructions on the Form 410 or contact the FPPC to discuss what type of committee will be formed.)

Termination

The Form 410 is also used to terminate a committee. In order to terminate, the committee may no longer be receiving contributions or making expenditures, and must have disposed of all funds and filed all required campaign reports. To terminate:

- Check the "Termination" box at the top of the Form 410 and enter the committee's identification number;
- Enter the name of the committee; and
- Sign the verification. For a controlled committee, both the treasurer and the candidate must sign.

Form 410 Statement of Organization

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How to Complete Form 410 Statement Type

Check the "Initial" box if this is the first filing and indicate the date on which the committee met the \$1,000 threshold, or check the "Not Yet Qualified" box.

Check the "Amendment" box to amend information on an existing Form 410, e.g., to report the date the committee qualified as a committee, or to redesignate the committee or bank account for a future election.

Check the "Termination" box to close the campaign committee. The committee's campaign filing obligations will continue until it meets the requirements to terminate and files a Form 410, checking the "Termination" box. (See Chapter 8.)

Committee Name

Provide the full name of the committee. A controlled committee must include in its name the last name of the controlling candidate.

Committees established by an officeholder to defend against a recall attempt must include the term "recall" in the committee name.

If a primarily formed committee is sponsored by a business entity, organization, or association, the name of the sponsor must be included in the name of the committee. (See later in this chapter for the definition of "sponsored committee.")

Committee Address

Use a street address as the address of the committee. A post office box may be used as a mailing address. The committee may have more than one mailing address.

County of Domicile

Indicate the county in which the committee is located. This may be different than the county in which the committee is active.

Example Joy O. Cooking is running for the Board of Supervisors in Sierra County. However, the committee's address is in Plumas County where her treasurer has

his office. The Form 410 reports Plumas County as the "County of Domicile" and Sierra County under "County Where Committee is Active if Different than County of Domicile." Statements are filed in both locations.

Treasurer, Assistant Treasurer, and Other Principal Officers

The committee must have a treasurer and may have an assistant treasurer. Report the names of the treasurer and assistant treasurer along with their mailing addresses and phone numbers. If the committee has principal officers, other than the treasurers, list each officer's full name, position held, and street address.

If a candidate chooses to be his or her own treasurer, list the name, mailing address, and telephone number of the candidate. Remember that for statements requiring signatures of the candidate and treasurer, the candidate must sign on both lines.

Verification

The Form 410 is not considered filed if it is not signed. The treasurer, or assistant treasurer, must sign the verification. In the case of a controlled committee, both the treasurer or assistant treasurer and the candidate/officeholder must sign.

When two or three candidates control a committee, each candidate must sign the verification. If more than three candidates control the committee, one of the candidates may sign on behalf of all controlling candidates.

Form 410 Statement of Organization Page 2

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Type of Committee Controlled Committee

Candidates must complete this section. A candidate may not establish more than one committee per election to a specific office. Since all local elections in California are non-partisan, check the "Non-Partisan" box in the "Party" column.

Henry Black formed a committee for the office of mayor. Four years later, he plans to seek reelection to the same office. Henry may use his previous committee for mayor or he may form a new committee. After his last election for mayor, Henry decides to run for State Senate. Henry must form a new committee for the Senate election. This is the only committee he may control in connection with seeking the Senate seat that year.

Name of Financial Institution

Report the name and complete address of the financial institution where the

committee's campaign bank account is located, as well as the campaign bank account number. If a bank account has not been opened at the time of filing an "Initial" Form 410, amend the Form 410 within ten days of opening the bank account to provide this information.

Committees Controlled by Two or More Candidates

If two or more candidates form one committee to support their candidacies for elective office, they must:

- Each file the Form 501;
- File one Statement of Organization (Form 410);
- Establish one bank account for the committee (each candidate must deposit all contributions and make all expenditures from this bank account);
- File one Recipient Committee Campaign Statement (Form 460) disclosing receipts and expenditures each time the statement is due.

Primarily Formed Committee

Complete this section for a non-controlled committee whose principal activity is raising or spending money to support or oppose a specific candidate or a group of specific candidates all being voted upon in the same election on the same date.

Sponsored Committee

If the committee is sponsored by an entity, provide the name and address of the sponsor. In addition, indicate the industry group or affiliation of the sponsor. Individuals do not sponsor committees.

An entity sponsors a committee if any of the following criteria apply:

- The committee receives 80% or more of its contributions from the entity or its members, officers, employees, or shareholders.
- The entity collects contributions for the committee through payroll deductions or dues from its members, officers, or employees.
- The entity, alone or in combination with other organizations, provides all or nearly all of the administrative services for the committee.
- The entity, alone or in combination with other organizations, sets the policies for contribution solicitation or payment of expenditures from committee funds.

Answering Your Questions

- Q. Must we wait until \$1,000 is received to file a Form 410?
- A. No. You may file a Form 410 prior to committee qualification. Check the box "Not Yet Qualified." Once you have reached the \$1,000 threshold, file an amendment reporting the date the committee qualified.

- Q. May our committee use a mail receiving and forwarding service, such as Mail Boxes Etc., as the committee's street address on the Form 410?
- A. No. A post office box or lock box number is not acceptable as a street address. You may use a post office box address on a mass mailing as long as you indicated this address as your mailing address on the Form 410.
- Q. As a candidate, may I be designated treasurer on the Form 410?
- A. Yes, you may be the treasurer or assistant treasurer.
- Q. May more than one candidate control a single committee to run for office?
- A. Yes. Each candidate should file a Form 501 prior to raising or spending any money. For both Form 410 and Form 460, each candidate must sign the verification, in addition to the treasurer or assistant treasurer. If the committee is controlled by more than three candidates, one candidate may sign on behalf of the other candidates.
- Q. I am an officeholder and the target of a recall election. I have formed a separate committee to oppose the recall. On the Form 410, what sections do I complete under Part 4 Type of Committee?
- A. You should complete both the Controlled Committee and Primarily Formed Committee sections. Be sure to include the word "recall" in the name of the committee.
- Q. I am running as a replacement candidate on a recall ballot. On the Form 410, what sections do I complete under Part 4—
 Type of Committee?
- A. You should complete the Controlled Committee section.

Candidate Statement of Economic Interests (Form 700)

In addition to filing reports of their campaign finances, most candidates are required to disclose certain personal financial interests under the Political Reform Act's conflict of interest rules by completing a Statement of Economic Interests (Form 700). Investments and real property held on the day the declaration of candidacy is due, as well as income received during the 12 months prior to the date of filing the declaration of candidacy, must be reported. This statement is due no later than the final filing date for the declaration of candidacy. Candidates file the Form 700 with the city clerk or registrar of voters where the declaration of candidacy is filed.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

81004	Reports and Statements; Perjury;
	Verification.
81004.5	Reports and Statements;

Amendments.
81007 Mailing of Report or Statement.

82007 Candidate.

82013 Committee.

82016 Controlled Committee.

82025 Expenditure.

82044 Payment.

82047.5 Primarily Formed Committee.

82048.7 Sponsored Committee.

84101 Statement of Organization; Filing.

84102 Statements of Organization; Contents.

84103 Statement of Organization; Amendments.

84106 Sponsored Committee; Identification.

84200 Semi-Annual Statements.

84200.3 Odd-Year Reports in Connection with a Statewide Direct Primary Election Held in March of an Even-Numbered Year.

84200.5 Preelection Statements.

84200.6 Special Campaign Statements and Reports.

84200.7 Time for Filing Preelection
Statements for Elections Held in
June or November of an EvenNumbered Year.

84200.8 Time for Filing Preelection
Statements for Elections Not Held
in June or November of an EvenNumbered Year.

84206 Candidates Who Receive or Spend Less than \$1,000.

84214 Termination.

84215 Campaign Reports and Statements; Where to File.

85200 Statement of Intention to be a Candidate.

85201 Campaign Bank Account.

87201 Candidates (Statement of Economic Interests).

Title 2 Regulations

18402 Committee Name.

18404 Termination of Candidate's and Committees' Filing Requirements.

18406 Short Form for Candidates or Officeholders Who Receive and Spend Less than \$1,000 in a Calendar Year.

18419 Sponsored Committees.

18430 Committee Controlled by More Than One Candidate.

18520 Statement of Intention to Be a Candidate.

18521 Establishment of Separate
Controlled Committee for Each
Campaign Account.

18531.5 Recall Elections.

Chapter 5 When and Where to File Reports

This chapter reviews when and where committees file reports disclosing receipts and expenditures. Most candidates and committees will use the Recipient Committee Campaign Statement (Form 460). Primarily formed committees may be eligible to use the Recipient Committee Campaign Statement—Short Form (Form 450) or the Semi-Annual Statement of No Activity (Form 425). (Also see Chapter 7 for additional special reports that may be required.)

Candidates and officeholders without a committee should consult Chapter 4, Officeholder/Candidate Campaign Statement—Short Form (Form 470), to determine whether a report is due and, if so, when and where to file.

All reports and statements filed under the Political Reform Act are public records open for public inspection.

When to File

The law sets specific deadlines for when Forms 460, 450, and 425 must be filed. Most campaign committees file two semi-annual statements each year. When an individual is listed on a ballot, and when a committee is raising or spending money in connection with an election, preelection statements also are required.

Many filing officers provide candidates and committees with an election packet that includes the dates for filing campaign statements. In addition, filing deadlines for certain local elections may be obtained online at www.fppc.ca.gov. (Click onto "Candidates and Committees," then click onto "Filing Deadlines.") The filing deadlines found on the Commission's website will not include any special filings required under a local ordinance. For this information, contact the local filing officer. The committee

treasurer is responsible for meeting all applicable filing deadlines. Filing officers are not required to send a reminder notice prior to the filing deadline.

Deadlines that fall on a Saturday, Sunday, or official state holiday are extended to the next business day. This rule does not apply to late contribution reports and late independent expenditure reports discussed in Chapter 7, and there are no other provisions for extensions. Filing after a deadline may lead to late filling penalties of \$10 for each day the statement is late, and committees that fail to file are subject to administrative penalties of up to \$5,000 per violation. Except where noted, statements must be hand delivered or postmarked as first-class mail, by the due date.

Judges and Unpaid Elected Officeholders

Unpaid officeholders (defined in the Act as those who receive less than \$200 per month for serving in office), judges, and judicial candidates are not required to file semi-annual statements during any six-month period in which they have not received or made any contributions or expenditures. This is also true for election committees controlled by unpaid officeholders, judges and judicial candidates.

To determine whether \$200 has been received, only the elected official's fixed compensation for services (i.e., salary) need be counted. Do not count payments for health benefits, reimbursement of expenses (including travel expenses), or per diem received from the elected official's agency.

Semi-Annual Statements

Most committees file a semi-annual statement for each half of the year, whether

or not they receive contributions or make expenditures during the six-month period. An existing committee or a committee newly formed during the first six months of the year will have a semi-annual statement due July 31 for the period January 1 - June 30.

An existing committee will have a semiannual statement due January 31 of the following year for the period July 1 — December 31. A committee newly formed during the last six months of the year will have a semi-annual statement due January 31 of the following year for the period January 1 - December 31.

Examples A county supervisor has a controlled committee. The supervisor receives over \$200 a month for serving in office. The supervisor is not seeking reelection and the committee did not raise or spend any funds during the calendar year. The committee must file a semi-annual statement covering the period January 1 through June 30, due on or before July 31, and a semi-annual statement covering the period July 1 through December 31, due by January 31.

A primarily formed committee formed in May to support a candidate's election in November. The committee files a semi-annual statement for the period January 1 through June 30, due July 31. Preelection statements are due in October, in addition to a semi-annual statement due in January of the following year. (Some local jurisdictions have additional filing requirements.) The committee must file semi-annual reports until it terminates.

Preelection Statements

In addition to semi-annual statements, controlled committees and primarily formed committees will file preelection statements before the election in which the candidate is listed on the ballot.

For specific reporting periods and filing deadlines, contact the local filing officer.

The second preelection statement must be filed by personal delivery or guaranteed overnight delivery.

Candidates who will not appear on the ballot because they are running unopposed are not required to file preelection statements.

Recall Elections

A committee established by an officeholder who is the subject of a recall election must file campaign statements (Form 460) on a quarterly schedule until the semi-annual period in which the recall election is held. The quarterly filing schedule is:

Period Covered	Filing Deadline
January 1 - March 31	April 30
April 1 - June 30	July 31
July 1 - September 30	October 31
October 1 - December 31	January 31

During the semi-annual period in which the recall election is held, the committee must file two pre-election statements and a semi-annual statement on the schedule provided by the filing officer.

Example District Attorney Don Williams is the subject of a recall election being held in September. In March. he formed a separate committee to oppose the recall. The committee must file quarterly statements on April 30 and July 31. During the period July 1 through December 31, the committee must file two pre-election statements in connection with the election, and a semi-annual statement for the period ending December 31, due on January 31 of the following year. After the January 31 filing, the committee will file semi-annual statements until it is terminated.

Amendments

Except for amendments required to provide contributor information (see Chapter 1), there is no deadline for filing amendments to campaign reports. However, amendments should be filed as soon as practicable in the same location(s) as the original.

Faxing Statements

Campaign statements that contain 30 pages or less may be faxed provided that the faxed copy of the campaign statement is the exact copy of the original version. However, the original document, with an original signature, must still be sent by first-class mail, guaranteed overnight delivery, or personal delivery within 24 hours of the filing deadline.

Where to File

Candidates, controlled committees and primarily formed committees file statements based on the office sought by the candidate.

An "original" campaign statement is one containing the original signature of the officeholder or candidate, and/or treasurer or assistant treasurer.

QuickTIP The county of domicile for a candidate is the county where the candidate maintains his or her permanent residence. A committee is domiciled at the address listed on its statement of organization. When a candidate is domiciled in a different county than his or her controlled committee, copies of campaign statements must be filed in each county of domicile.

Multiple Controlled Committees

When a candidate or officeholder controls more than one committee, whether the committees are formed for different elections to the same office or for a different office within the same jurisdiction, all committees must file statements each time any committee statement is due.

Forms 460, 470, 425, 450	Filing Officers	What
Superior Court	Secretary of State	Original & 1 copy
Superior court judges, candidates for superior court judge, their controlled committees, and primarily formed committees:	County with the largest number of registered voters in the jurisdiction affected (also county of domicile, if different)	2 copies
Multi-County Offices Elected officers in local agencies that have jurisdiction in two or more counties, candidates for these offices, their controlled committees, and primarily formed committees:	County with the largest number of registered voters in the jurisdiction affected County of domicile, if different from above	Original & 1 copy 2 copies
County Offices Elected county officers, candidates for these offices, their controlled committees, and primarily formed committees:	County Clerk County of domicile, if different from above	Original & 1 copy 2 copies
City Offices Elected city officers, candidates for these offices, their controlled committees, and primarily formed committees:	City Clerk	Original & 1 copy

When an elected officeholder in one jurisdiction runs for an office in another jurisdiction, the officeholder and all committees he or she controls file originally-signed campaign disclosure statements with the filing officer in the jurisdiction in which the officeholder holds office and the jurisdiction in which the officeholder is seeking office.

Nels Nelson controls a committee for his election to the Beach County School Board. In addition, Nels formed a committee to run for mayor of Playa del Sol in a June election. As an incumbent school board member and a candidate for mayor, he files campaign statements for both committees with the following filing officers in connection with the June election:

- School Board committee files an original and one copy of the Form 460 with:
 - County Clerk, Beach County City Clerk, Playa del Sol
- Mayoral committee files an original and one copy of the Form 460 with:

City Clerk, Playa del Sol County Clerk, Beach County

An officeholder who does not have a controlled committee may file the Form 470 by July 31 for the position held. If the officeholder subsequently opens a committee to run for a different office, he or she must file the Form 460 for the required preelection and semi-annual statements. Since the Form 470 was filed in connection with a position for which the candidate does not have a committee, a Form 470 Supplement is not required. (See Chapter 4.) However, if the officeholder opens a committee prior to June 30 for election to a different office, the Form 460 must be filed by July 31 for both the position held and the office sought. The officeholder may file one Form 460 and list both the position held and the office sought on the Cover Page, Part 5.

Controlled Ballot Measure Committees

Some officeholders and candidates also control ballot measure committees. Dates and locations for filing statements for these controlled ballot measure committees vary depending on whether the committee is a general purpose ballot measure committee or one that is primarily formed to support or oppose a particular ballot measure or measures. (See FPPC's manual for ballot measure committees.)

State Primarily Formed Ballot Measure Committees

Controlled state ballot measure committees are only required to file statements when and where state ballot measure committees are normally required to file; committees controlled by the officeholder or candidate to support their election to office are not required to file in connection with the ballot measure committee schedule.

Local Primarily Formed Ballot Measure Committees

Controlled local ballot measure committees should file according to the filing schedule provided by their local filing officer. In addition, these committees file at the same times and places the controlling officeholder or candidate is required to file campaign statements in connection with the office he or she is seeking. The candidate's controlled election committee is not required to file on the ballot measure committee schedule if he or she is not also being voted on in the election.

General Purpose Ballot Measure Committees

In addition to any other times provided by law, controlled general purpose ballot measure committees are required to file preelection statements whenever the controlling officeholder or candidate is required to file these statements in

connection with an election to office. In addition to filing with the committee's filing officers, an original and one copy of the ballot measure committee's statement is filed where the officeholder or candidate files his or her semi-annual and preelection statements for election to office.

Teddy Graham has a committee to run for reelection to the city council for the city of Playa del Sol. In addition, Teddy controls a state general purpose ballot measure committee, domiciled in Beach County. that supports measures throughout the state dealing with shoreline protection. On the due date for the first preelection statement required for his reelection race, Teddy will file the following:

- Reelection Committee will file the Form 460 with:
 - City Clerk, Playa del Sol Original and one copy
- Ballot Measure Committee will file the Form 460 with:
 - Secretary of State
 Original and one copy
 - Registrar/Los Angeles County Two copies
 - Registrar/San Francisco Two copies
 - Beach County Clerk Two copies
 - City Clerk, Playa del Sol Original and one copy

Answering Your Questions

Q. I am currently a city council member without a committee. I intend to run for the school board in the November election and will open a committee in July for the school board race. What are my reporting obligations?

- A. Because you intend to have a committee during that calendar year, file Form 460 for your city council position with your city clerk by July 31 for the first six months of the calendar year. By the first preelection deadline for the school board race, file an originally-signed Form 460, as well as a copy, with **both** the city clerk and county registrar of voters in your county. On the Form 460, indicate the office you are seeking as well as the office you hold. You may wish to note on the form that you do not have a committee for your city council seat nor a bank account. You also must file a Statement of Organization (Form 410) within 10 days of receiving contributions of \$1,000 or more.
- Q. In June, I was elected to the city council.

 After filing the semi-annual statement due on July 31, I paid off remaining bills and terminated my committee in August by filing a terminating Form 460. I will not engage in any further campaign activities.

 Am I required to file another Form 460 by January 31 of the following year as a semi-annual statement?
- A. As an elected officer, you must file semiannual statements each year. You may designate the Form 460 you file in August as a terminating statement and a semiannual statement. However, if you subsequently receive any contributions or make any expenditures through December 31, file an amendment to your statement including the new information no later than January 31 of the following year. Remember that as an elected officeholder, if you receive \$200 or more in a calendar month for your elected position, you will be required to file the Form 470 by July 31 every year, even though you have terminated your committee.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 81004 Reports and Statements; Perjury; Verification.
- 81004.5 Reports and Statements; Amendments.
- 81007 Mailing of Report or Statement.
- 81007.5 Faxing of Report or Statement.
- 81008 Public Records; Inspection; Reproduction; Time: Charges.
- 82027 Filing Officer.
- 83116 Violation of Title.
- 84200 Semi-Annual Statements.
- 84200.3 Odd-Year Reports in Connection with a Statewide Direct Primary Election Held in March of an Even-Numbered Year.
- 84200.4 Time for Filing Reports Pursuant to Section 84200.3.
- 84200.5 Preelection Statements.
- 84200.7 Time for Filing Preelection
 Statements for Elections Held in
 June or November of an EvenNumbered Year.
- 84200.8 Time for Filing Preelection
 Statements for Elections Not Held
 in June or November of an EvenNumbered Year.
- 84209 Consolidated Statements.
- 84215 Campaign Reports and Statements; Where to File.
- 91013 Late Filing of Statement or Report; Fees.

Title 2 Regulations

- 18116 Reports and Statements; Filing
 Date
- 18426 Semi-Annual Statement Early Filing.
- 18531.5 Recall Elections.

Chapter 6 Committee Report - Form 460

Candidate controlled committees use the Recipient Committee Campaign Statement (Form 460) to report campaign activity for all semi-annual, special odd-year, preelection, and supplemental preelection statements.

The Form 460 also must be used by a primarily formed committee that has:

- Received contributions totaling \$100 or more in a calendar year from a single source:
- Received any other payment of \$100 or more:
- Outstanding loans received or made; or
- Accrued expenses (unpaid bills).

If the above criteria are not met by a primarily formed committee, it may use the Recipient Committee Campaign Statement – Short Form (Form 450), a simpler and shorter form. In addition, if a primarily formed committee has had no activity (no receipts and no expenditures, except for interest received and bank fees paid) during the reporting period, it may file a Semi-Annual Statement of No Activity (Form 425).

This chapter discusses how to complete Form 460. Examples are for a controlled committee. However, the same reporting obligations exist for primarily formed committees.

Form 460 Cover Page

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Form 460

How to Complete the Cover Page

Period Statement Covers

If this is the first report of the calendar year, the "from" date should be January 1. Otherwise, this date should be the day after the closing date of the most recently-filed campaign statement.

Date of Election

When filing a preelection statement in connection with an election, provide the date of the election.

Part 1: Type of Recipient Committee

Check one box to indicate the type of committee filing the statement:

- Officeholder/Candidate Controlled Committee: Complete Cover Page Parts 2, 3, 4, and 5.
- Primarily Formed Candidate/Officeholder Committee: Complete Cover Page Parts 2, 3, 4, and 7.

Part 2: Type of Statement

Check the appropriate box to indicate the type of statement being filed (such as semi-annual or preelection). (See Chapters 5 and 7.)

Amending Form 460

To change or provide information missing from a previously filed Form 460, complete a new Cover Page, checking the "Amendment" box. Also check the box showing the type of statement being amended (e.g., preelection, semi-annual) and enter the period covered by the statement being amended. Provide a brief explanation and list the schedules or parts being amended. Include an amended summary page, if applicable.

Attach the amended schedule(s) and file the amendment with all of the filing officers that received the original filing. (See Chapter 5.)

Part 3: Committee Information

When completing this section, make sure the information is the same as that listed on the committee's Statement of Organization

Form 460 Cover Page Part 2

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Officeholder or Candidate Controlled Comm	nittoe	6. Primarily Formed Ballo	ot Measure Committee	
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(Form 410). If the committee has not received an identification number from the Secretary of State, enter "pending" in the "LD. Number" box.

Part 4: Verification

The Form 460 is not considered filed if it is not signed. The committee treasurer or the assistant treasurer named on the committee's Statement of Organization, Form 410, must review and sign the statement.

In addition, if an officeholder or candidate controls the committee, he or she also must sign the statement. If two or three officeholders or candidates control the committee, each must sign. If there are more than three officeholders or candidates controlling the committee, one may sign on behalf of the others.

Part 5: Officeholder or Candidate Controlled Committee

Provide the name of the officeholder or candidate controlling the committee and

indicate the office sought or held including the location and district number, if any. If the candidate controls other committees, including ballot measure committees, list those committees here. If you are aware of any primarily formed committees that exist to receive contributions or to make expenditures on behalf of the candidate controlling this committee, also list those committees. If more than one candidate controls the committee, copy Part 5 as many times as needed to include the required information for all controlling candidates.

Part 6: Primarily Formed Ballot Measure Committee

Controlled committees that are primarily formed to support or oppose a ballot measure must also complete this section.

Part 7: Primarily Formed Candidate/ Officeholder Committee

Provide the name(s) of the officeholder(s) or candidate(s), the office(s) sought or held, and indicate whether the committee is

Form 460 Summary Page

Campaign Disclosure Statement Summary Page	Type or paint in not amounts medicle stands to whole dollers	from	SUMMINION PER DETROIT OF THE PER DETAIL SUMMINION PER DETAIL SUMINION PER DETAIL SUMMINION PER DETAIL SUMMINION PER DETAIL SUMINION PER DETAIL SUMMINION PER DETAIL SUMINION
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supporting or opposing the officeholder(s) or candidate(s).

How to Complete the Summary Page

The Summary Page lists the totals of all contributions received and expenditures made during the period covered by the statement and the cumulative amounts of contributions received and expenditures made during the calendar year.

Column A

This column reflects the totals found on the summaries located at the bottom of each schedule attached to the statement. If there is no activity to report on a particular schedule, place a zero on the appropriate line. Never leave a line in Column A blank.

Column B

Amounts shown on Lines 2, 7, and 9 of Column B are carried forward from year to

year (and statement to statement) until they are paid. If this is the first statement of the calendar year, this column should reflect the same totals as found in Column A, except for Lines 2, 3, 5, 7, 8, 9, and 11 (if applicable). Otherwise, Column B totals are calculated by adding the figures in Column B from the last statement filed with the figures found in Column A of the current statement. (Note: The amounts reported on Lines 2, 7, and 9 of Column B should be the same as the total outstanding amounts disclosed in column (d) of Schedules B, H, and F, respectively, of the current report.)

The figures in Column B reflect the cumulative amounts received since January 1 of the current calendar year.

The cumulation period for a statement is almost always a calendar year. An exception to calendar year cumulation applies if the committee is required to file a preelection statement in one year in connection with an

election held in another year, such as elections held in January or early February. When this happens, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

Lines 1-5

Collectively, these lines represent contributions received: monetary, nonmonetary, and loans.

Lines 6-11

These lines together represent expenditures made: payments, loans made, accrued expenses (bills that are still outstanding), and nonmonetary adjustments.

Lines 12-16

The Current Cash Statement section should reflect the committee's actual cash condition at the end of the reporting period. If deposits or expenditures have been made that have not cleared the account, the committee's bank balance may not match the ending cash balance.

Do not deduct investments made with committee funds from Line 12 or Line 16 if the investment can be readily converted to cash; e.g., the purchase of certificates of deposit, shares in interest bearing accounts, or money market funds. Reflect the investment amounts in the total amount of cash available.

Line 12

Make sure that this figure is the same as the figure shown on Line 16 (Ending Cash Balance) of the most recently filed statement. If this is the first statement of the calendar year and no previous statement has been filed for this committee, but money was raised or spent in the previous reporting period that did not equal \$1,000 or more, enter the amount of cash on hand on December 31. Otherwise, enter zero.

Line 13

This figure represents the total of all monetary contributions and loans received during the reporting period. Nonmonetary contributions should not be included.

Line 14

This amount represents all items, such as interest on a bank account, that increase the cash position but are not considered contributions. The amount is carried forward from Schedule I, Miscellaneous Increases to Cash

Together, Lines 13 and 14 reflect all the money that has been received during the current reporting period.

Line 15

This figure represents the total amount the committee has spent during the reporting period, including loans made and any accrued expenses paid.

Line 16

This amount represents the total of Lines 12, 13, and 14 minus Line 15. The amount reported on Line 16 must equal the total amount of cash the committee has in its campaign bank account and the amount of all funds held in interest bearing accounts, certificates of deposit, money market accounts, shares in government bonds, or any other investments that can be readily converted to cash.

If this is a termination statement, Line 16 must be zero.

Line 17

This figure is carried forward from Schedule B, Part 2. The amount represents the total of all loan guarantees, endorsements, or security received during the period.

Line 18

This figure includes investments that cannot be readily converted to cash, as well as the balance due on all outstanding loans the committee has made to others.

Do not include any amount that is invested in interest bearing accounts, certificates of deposit, money market accounts, or any other investments that can be readily converted to cash. This amount should be part of the ending cash figure reported on Line 16.

Line 19

Report the total of all money owed by the committee. Using Column B, add Line 2 (loans received) and Line 9 (accrued expenses).

Lines 20, 21, & 22

These lines are for certain state candidates only.

Answering Your Questions

- Q. Is there any circumstance where Line 16, Ending Cash Balance, would show a negative amount?
- A. If you report a negative amount on Line 16, this means that either you have made a mathematical error in your calculations or you are overdrawn at the bank.

 Rounding off also may cause a small negative in the cash on hand balance.
- Q. Is there any circumstance where an amount in Column A would be negative?
- A. Yes. As loans and accrued expenses are paid down, the amount reflected in Column A may be a negative amount.
- Q. What should I do if I am unable to balance my accounting records by the filing deadline?
- A. Because the Political Reform Act does not provide for deadline extensions, complete the form as accurately as you

can and file by the deadline. Then file an amended form as soon as possible.

General Rules for Reporting Contributions Received

(See Chapter 2 for definitions and additional information about receiving contributions.)

\$5,000 Contributor - Major Donor Notice

If \$5,000 or more is received from one source in a calendar year, a "major donor" notice must be sent to the contributor. (See Chapter 2.) Do not send the notice if the contribution is from another recipient committee.

Example Rails, Inc. made a \$5,000 contribution to your committee. Within two weeks of receiving the contribution, notify Rails, Inc. in writing that they must file as a major donor if they make any number of contributions totaling \$10,000 or more during the calendar year.

Joint Checking Account

If a check is received that is imprinted with two individuals' names, report the contribution as coming from the person who signed the check. However, if both signed the check, or one signed the check but both have signed an accompanying letter indicating that the contribution is from both, then report 50% of the contribution coming from the one individual and 50% coming from the other, unless the letter attributes specific amounts to each contributor. (See Chapter 2.)

Intermediary

If a contribution of \$100 or more is received from someone who is acting as an intermediary for the true source of the funds, disclose both the true source of the contribution and the intermediary. (See Chapter 2.)

Example Sarah Honey made a \$500 contribution to your committee and notified you that she would later be reimbursed by her employer, Hilltop Dairy. Your committee will report Hilltop Dairy, including its address and contributor code, as the source of the contribution and also disclose Sarah as the intermediary, providing her address, occupation, and employer.

Aggregating Contributions

There are a variety of situations in which two or more contributions need to be aggregated for reporting. For instance, when an individual, who is the sole proprietor of a company, makes a contribution from company funds and another contribution from personal funds, these contributions are added together for reporting purposes. (See Chapter 2.)

There are special rules for "major donors" (usually these are individuals and business entities that make contributions totaling \$10,000 or more in a calendar year) when they make contributions that are subject to aggregation. The major donor must notify each committee to which it makes a contribution of the name under which the major donor is filing its report (Form 461). The recipient of the contribution must identify the name of the "filer" and the name of the contributor, if that is different than the name of the filer.

Example Temple Construction is a subsidiary of Temple Enterprises. Contributions made by the two entities must be aggregated and they qualify as a major donor. Your committee receives a contribution from Temple Construction. Temple Construction is required to notify you that its contribution is reported on a campaign statement filed under the name of Temple Enterprises. Your committee must identify both names on its report and, if you receive contributions from both entities, the

contributions must be aggregated for purposes of reporting cumulative amounts.

Contributor Information

A contribution of \$100 or more must be returned to the contributor within 60 days of receipt if the contributor's name, address, and, if the contributor is an individual, his or her occupation and employer are not in the committee's records. Contributions may be deposited in the committee's bank account pending receipt of the information, in which case they must be reported on the next campaign statement (Form 460) filed. The campaign statement must be amended within 70 days from its closing date to disclose the missing contributor information unless the contribution was returned to the donor. (See Chapter 1 for detailed information about returning contributions and recordkeeping requirements.)

Reporting Cumulative Amounts

Contributions from the same source (including aggregated contributions) are cumulated from January 1 through December 31. When reporting the cumulative amount of contributions received from any one source, include all monetary and nonmonetary contributions, and loans (including loan guarantees) received by all committees controlled by the candidate. (Exception: Contributions received by controlled ballot measure committees are not cumulated with contributions received by the controlling candidate's campaign committees.)

Calendar Year Cumulation Exception

An exception to calendar year cumulation applies if the committee is required to file a preelection statement in one year in connection with an election held in another year, e.g., certain January/February elections. When this happens, the cumulation period begins on January 1 of the year before the election and ends on the

closing date of the semi-annual statement filed after the election.

Returned Contributions

Not Deposited: A contribution need not be reported if it is returned to the contributor prior to depositing it in the campaign bank account and prior to the closing date of the campaign statement on which it would be reported. A late contribution is not required to be reported if it is not deposited, negotiated, or cashed and is returned to the contributor within 24 hours of receipt.

Deposited, Negotiated, or Returned After Closing Date: Contributions that have been deposited or negotiated, or which were not returned prior to the closing date of the campaign statement, are reported on Schedule A. If the contribution is returned within 30 days of receipt, and within the reporting period, the return may be shown as a negative figure on Schedule A. Otherwise, report the return of the contribution on Schedule E.

Returned for Insufficient Funds: If a check is returned from the bank for insufficient funds and the committee returns the check to the contributor during the same reporting period, both the receipt and the return of the contribution may be reported on Schedule A with the return shown as a negative amount. Otherwise, the return is reported on Schedule E.

Transfers

Use Schedule I to report transfers of funds received from another committee controlled by the candidate.

Enforceable Promises

If a contribution is received in the form of an "enforceable promise" that has not been paid during the period, report the contribution as a memo entry on Schedule A. An "enforceable promise" has been received when a contributor promises, in writing, to pay for

specific goods or services and, based on that promise, the committee expends funds or enters into a legally-enforceable contract with a vendor to purchase the goods or services. An "enforceable promise" has not been made if a person signs a pledge card or similar document, or agrees to make a contribution by installment payments through wire transfer, credit card transaction, debit account transaction, or similar electronic payment.

Disclose the date of the promise, all of the required information about the contributor, and the amount promised, but do not include the amount in the summary totals. When the contributor makes the actual payment, fully disclose the contribution on Schedule A, if the payment is made to the committee, or on Schedule C, if the contributor pays the vendor directly, and include the amount in the appropriate summary section.

Installment Payments

Contributions may be received as installment payments made at regular intervals over a period of time via credit card, debit card, wire transfer, or similar electronic means. When a contributor authorizes a series of installment payments, the contribution is reported as received when the committee, or agent of the committee, obtains possession or control of the funds for each installment payment.

Example Sandra Nickel informed your committee that she wanted to contribute a total of \$500, but would need to make the contribution in five payments of \$100 each month. On June 1, she provided you with her credit card information and authorized your committee to charge her account \$100 on that date and on the first of the next four months. Your committee has a statement due July 31 covering the period January 1 through June 30. Your campaign statement must itemize Sandra and report receipt of \$100 from her on June 1; the report would not include the future contributions.

Form 460 Schedule A

Schedule Monetary	A Contributions Received	Artious	r or print in ink. 15 may be rounderd whole dollers.	Statement co	1/20XX	FORNIA 46
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7/14	Rails, Inc. 500 North 12th Street Goldon Valley, CA 95892	© va ⊕ 0000 20 07H ⊕ 17		\$5,000	\$5,000	
7/16	Hilltop Dairy 589 Milky Way Playa del Sol, CA 95888	2004 2004 2004 2004		\$500	\$500	
	Intermediary: Sarah Honey 614 C Street Playa del Sol, CA 95888	11 A.4 □ 20M □ 20M □ 20M □ 20M	Bookkeeper, Hilltop Dairy		No. No.	
8/10	Waldo Murphy 423 Sandy Beach Drive Playa del Sol, CA 95888	Ciera Ciera Ciera San	Sales Manager, Rails, Inc.	\$99	\$124	
8/12	Linda Gutierrez 120 South B Street Playa del Sol, CA 95888	Dece Det Det	Requested	\$200	\$200	
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	tary contributions received this period. It and 2. Enter nere and on the Summary Page, Cour.	nn A Linet)	TOTAL \$.	5,799	SCC SHARC	ontré « or Commettes

How to Complete Schedule A Monetary Contributions Received

Report monetary contributions received by the committee on Schedule A, except for loans (reported on Schedule B), receipt of repayments for loans made (reported on Schedule H), and miscellaneous receipts (reported on Schedule I).

Date Received

List the date the committee obtained possession or control of the contribution. For instance, report the date the check was received, which may differ from the date on the check or the date the check was deposited. For contributions received by electronic transaction (such as credit card, debit account, or wire transfer, including those received over the Internet), report the date the committee received or had control of the credit/debit account information or other payment information, or the date the

committee received or had control of the funds, whichever is earlier.

Contributor Information

Itemize persons and organizations that have contributed a cumulative amount of \$100 or more during the calendar year. Provide each contributor's name, street address, city, state, and zip code. Remember to maintain the names and addresses of contributors of \$25 or more in your records. (See Chapter 1.)

Example Waldo Murphy contributed \$25 during the year's first reporting period. On your committee's first report for the year, Waldo was not itemized. During the second reporting period, you received a \$99 contribution from Waldo. Itemize Waldo on this report, providing his occupation and employer information, reporting \$99 as received "this period" and reporting a "cumulative amount" of \$124.

Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, or other (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Occupation and Employer, I.D. Number, and Intermediary Information

If the contributor is an individual, provide the individual's occupation and employer, or, if self-employed, provide the name of the business. Do not leave this blank. If this information has not been obtained, put "requested" or similar language in this column and amend Schedule A when the information has been received. Contributions of \$100 or more must be returned within 60 days of receipt if this information is not obtained. (See Chapter 1.)

If the contributor is a recipient committee, report that committee's identification number. If the identification number has not yet been assigned or is unknown, report the full name, street address, city, state, and zip code of that committee's treasurer.

If a contribution is received through an intermediary, provide the name, street address, city, state, zip code, and, if applicable, occupation and employer of both the intermediary and the true source of the contribution.

Amount

Report the amount of the contribution.

Cumulative to Date

Contributions from a single source are cumulated from January 1 through December 31. The amount listed in the "Cumulative to Date-Calendar Year" column will differ from the "Amount Received This Period" column if the committee has received other contributions, including nonmonetary

contributions, loans, or loan guarantees from this same source during the year. There is an exception to calendar year cumulation if the committee is required to file a preelection statement in one year in connection with an election held in another year, e.g., certain January/February elections. When this happens, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

Per Election to Date

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specified period. Check with the local filing officer to see what reporting obligations are required under local law.

Schedule A Summary

Complete the summary section of each schedule after completing the corresponding schedule. Each summary provides detailed instructions for every line.

Answering Your Questions

- Q. I plan to contribute to my own campaign. May I be reimbursed later if there is money left after my election?
- A. It is recommended that you report the contributions as loans on Schedule B, Part 1.
- Q. I received a contribution of \$75 this period from someone who contributed \$50 earlier this year. I itemized the \$75 contribution on Schedule A. Should the \$75 be included on Line 1 or 2 of the Schedule A summary?
- A. All itemized contributions (including contributions under \$100 that are itemized because the contributor's cumulative total is \$100 or more) are totaled on Line 1 of the schedule summary. Only unitemized contributions

are included on Line 2 of the schedule summary.

Schedule B-Loans Received

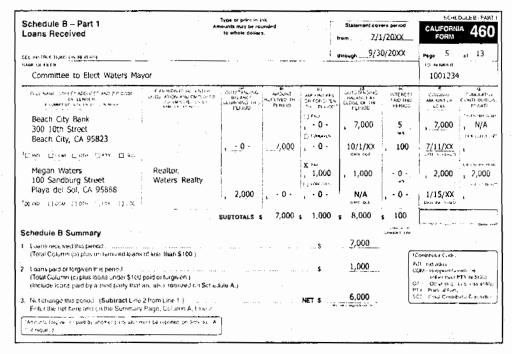
Use Schedule B to report activity on loans received by the committee. Outstanding loans are reported on each campaign statement until they are paid. Schedule B has two parts:

- Part 1 lists loans received or outstanding, and the repayment, forgiveness, or payment by a third party of a loan previously received.
- · Part 2 lists information on loan guarantors.

Lines of Credit

If a third party establishes a line of credit for the committee, report the full amount of the credit as a loan guarantee on the next campaign statement. Include the date, full name and address of the lender and a note stating the credit amount. When the committee draws from the line, report the amount drawn on Schedule B, Part 1.

Form 460 Schedule B Part 1



How to Complete Schedule B – Part 1 Loans Received

Lender Information

Provide the name, street address, city, state, and zip code of each lender of \$100 or more.

Financial Institution

If a financial institution, such as a bank, has loaned the committee money or the committee has drawn on a line of credit, report the institution as the lender by listing its name and address, including zip code. Even if the candidate has established the line of credit, report the institution as the lender.

Individual

If the lender is an individual, also provide the individual's occupation and employer. Do not leave this column blank. If the contributor is self-employed, provide the name of the business. If this information has not been obtained, put "requested" or similar language in this column and amend Schedule B, Part 1 later. (See Chapter 1 for

restrictions on contributions received when the name, address, occupation, or employer information is missing.)

Officeholder/Candidate

Officeholders and candidates depositing their personal funds in the campaign account to assist in their own elections may report the funds as a loan on Schedule B.

Contributor Codes

For each itemized lender, check the box indicating whether the lender is an individual, committee, other (such as a business entity), or a political party. (SCC is applicable only to state candidates and committees.)

QuickTIP Report each loan separately, even if the committee has received more than one loan from a single source.

(a) Outstanding Balance Beginning This Period

Enter the outstanding loan balance at the beginning of this reporting period (Column

- (d) of the last report filed). If the loan was received this period, enter zero or leave Column (a) blank.
- (b) Amount Received This Period Enter the amount received from the lender during this reporting period. If this loan was received in a previous reporting period, enter zero or leave Column (b) blank.
- (c) Amount Paid or Forgiven This Period Enter the amount of any reduction of the loan during this reporting period. Check whether the reduction was a payment or forgiveness. When the lender forgives all or part of a loan, or a third party makes a payment on a loan, also report the lender or third party on Schedule A. Enter zero or leave this column blank if no payments were made this reporting period.

(d) Outstanding Balance at Close of This Period

Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

(e) Interest Paid This Period

Enter the interest rate and the amount of interest paid on the loan(s) during this reporting period. If the lender is not charging interest, indicate "none" on the "interest rate" line. Interest paid is reported separately from payments made on the loan principal. Interest payments are also transferred to the Schedule E Summary.

(f) Original Amount of Loan

Enter the original amount of the loan and the date it was received. If this is the first time the loan is being reported, this is the same amount as reported in Column (b).

(g) Cumulative Contributions to Date Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the lender during the calendar year covered by this statement.

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specific period. Check with the local filing officer to see what reporting obligations are required under local law. Primarily formed committees do not complete this part.

When a loan is repaid, the cumulative amount may be reduced by the amount repaid.

A loan is a contribution unless it is received from a commercial lending institution in the ordinary course of business. It is not necessary to disclose cumulative amounts for loans that are not contributions.

Schedule B Summary

As loans are paid, Line 3 of the summary section of Schedule B will eventually be a negative amount. When transferring a negative figure from Line 3 to the Summary Page, Column A, Line 2, be sure to subtract the amount from the previous report, Column B, Line 2, to determine the figure for this report's Column B, Line 2.

Form 460 Schedule B Part 2

Schedule B – Part 2 Loan Guarantors	Type or print in ink. Amounts may be counded to whose dollars		Sta	lement covers period	CALIFOR	
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How to Complete Schedule B – Part 2 Loan Guarantors

Guarantor Information

If someone other than the controlling candidate guarantees, co-signs, endorses, or provides security for a loan of \$100 or more, enter the name and address of the guarantor and, if the guarantor is an individual, his or her occupation and employer, or if self-employed, the name of the business.

Contributor Codes

For each itemized guarantor, check the box indicating whether the guarantor is an individual, committee, other (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Loan

Enter the name of the lender or the entity at which a line of credit was established and the date of the loan or the date the line of credit was established.

Amount Guaranteed This Period

Enter the amount guaranteed this period, if applicable. For lines of credit, enter the full amount established or secured by the guarantor during the period. (Report amounts drawn on a line of credit on Schedule B — Part 1.)

Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received by the guarantor during the calendar year covered by the statement.

Per Election to Date

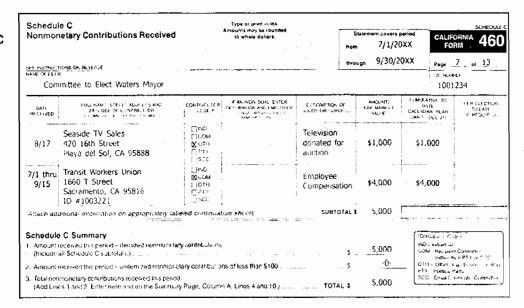
Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specific period. Check with the local filing officer to see what reporting obligations are required under local law. Primarily formed committees do not complete this part.

Balance Outstanding to Date

Report the outstanding balance for which the guarantor is liable at the close of this reporting period.

QuickTIP Loan guarantees are not included in the Schedule B Summary, but are carried forward in a lump sum to Line 17 of the Summary Page.

Form 460 Schedule C



How to Complete Schedule C Nonmonetary Contributions Received

Use Schedule C to report nonmonetary contributions received by the committee. Nonmonetary contributions are goods or services provided to the committee for which it does not pay the fair market value.

The fair market value is the amount the committee would pay for the goods or services on the open market; whatever it would cost any member of the general public to obtain the same good or service. (See Chapter 2 for assistance in determining the fair market value of a nonmonetary contribution.)

Example Seaside TV Sales donated a television to your committee. The cost to Seaside TV for the television was \$500. Because it would have cost your committee \$1,000 to purchase the TV at fair market value, the nonmonetary contribution from Seaside TV Sales is \$1,000.

Examples of Nonmonetary Contributions

- Items donated for a garage sale, raffle, or auction.
- Signs, postage, and printing.

- Food and entertainment provided for a fundraiser.
- Use of office space, an automobile, or airplane.
- Discounts or rebates that are not extended to the general public.
- · Mailing lists, mailings, and other advertising.
- Compensation paid by an employer to an employee who spends more than 10% of his or her compensated time in a calendar month working on behalf of a committee.
 Compensation includes gross wages paid and any benefits in lieu of wages, such as stock options or an annuity purchase.
 Compensation does not include routine fringe benefits, such as the employer's payments to a health plan or payroll taxes.
- Forgiveness of an accrued expense by the creditor.

(See Chapters 2 and 3 for exceptions, such as volunteer personal services, home/office fundraisers, and member communications.)

Date Received

A nonmonetary contribution is received on the earlier of the following:

- The date that funds are spent by the contributor; or
- The date the candidate or committee obtains possession or control of the goods or services, or receives the benefit of the expenditure.

Example A PAC, in coordination with your committee, printed a brochure advocating your candidate's election. The PAC delivered the brochures to your headquarters on February 22 and paid the bill for the printing on March 15. Your committee received the nonmonetary contribution on February 22.

Contributor Information, Occupation/ Employer, and Amount Columns

Itemize contributors of \$100 or more. If the contributor is an individual, provide occupation and employer information in addition to the contributor's name, street address, city, state, and zip code, the amount received this period, and the cumulative amount to date. (See Chapter 1 for restrictions on contributions received when the name, address, occupation, or employer information is missing.)

Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, committee, other (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Description of Goods or Services

Provide a brief description of the goods or services received.

Amount/Fair Market Value

Report the value of the nonmonetary contribution received. (See Chapter 2 for assistance in determining the fair market value of a nonmonetary contribution.)

Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the contributor during the calendar year covered by the statement.

Per Election to Date

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specified period. Check with the local filing officer to see what reporting obligations are required under local law.

Schedule C Summary

The total of nonmonetary contributions reported on Line 3, Schedule C summary section, is reported on the Form 460 Summary Page as both a contribution (Line 4, Column A) and an expenditure (Line 10, Column A).

Answering Your Questions

- Q. What is the value of the time provided by a graphic artist who volunteers to design a logo for your committee?
- A. The artist's time is not reportable because it constitutes volunteer personal services. However, if the artist is an employee of a business and spends more than 10% of his or her compensated time in a calendar month working on the design, the paid compensation becomes a nonmonetary contribution from the artist's employer.
- Q. How do I determine the fair market value of a mailing list provided by another committee?
- A. The most common way to determine the value is to contact a business from which similar mailing lists can be obtained.

Schedule D – Expenditures Supporting/ Opposing Other Candidates, Measures, and Committees

Schedule D is a summary of payments reported on Schedules E, F, and H that are contributions or independent expenditures to support or oppose other candidates, measures, and committees. Types of expenditures include:

- A monetary contribution or loan to another candidate or committee.
- A payment to a vendor for goods or services for a candidate or committee (a nonmonetary contribution).
- A donation to a candidate or committee of goods on hand, or the payment of salary or expenses for a campaign employee who spends more than 10% of his or her compensated time in a calendar month working for another candidate or committee.
- A payment for a communication (e.g., a mailing, billboard, radio ad) that expressly advocates the election/passage or defeat of a clearly-identified candidate or ballot measure, but the payment is not made to, or at the behest of, the candidate or ballot measure committee. (See Chapter 3 regarding independent expenditures.)

Candidates are prohibited from using campaign funds to make independent expenditures in support of or opposition to another candidate. If a primarily formed committee makes independent expenditures supporting or opposing a candidate it is not primarily formed to support or oppose, or a ballot measure, it may qualify as a different type of committee. Contact the FPPC toll-free at (866) 275-3772 for more information.

Controlled Committees

Do not report payments made to support the controlling candidate's own candidacy, or to

oppose the candidate's opponent(s), on Schedule D. Use Schedule E instead.

Primarily Formed Committees

Payments made to support or oppose the candidate for which the committee is primarily formed may be reportable on Schedule D as either contributions or independent expenditures, depending on whether the payments were made at the behest of the candidate. (See Chapter 3 and Appendix 1.)

Form 460 Schedule D

upporti	y of Expenditures ng/Opposing Other tes, Measures and Committ ees	Type or print in Amounts may be r to whole dolk	punded		20XX	CALIFO FOR	+01
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How to Complete Schedule D Summary of Expenditures Supporting/ Opposing Other Candidates, Measures and Committees

Date

Report the date the contribution or independent expenditure was made. A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted to the officeholder, candidate, or committee.

A nonmonetary contribution is made on the earlier of the following:

- The date an expenditure is made for the goods or services; or
- The date the candidate or committee receiving the contribution, or an agent, obtains possession or control of the goods or services.

Example Your committee, working on behalf of Friends of the Forest, arranges for the mailing of a campaign piece supporting their issue. The mailer is sent to voters directly from the mail house on September 4. On September 6, the mail house submits to you an invoice for payment.

Your committee made a nonmonetary contribution to Friends on September 4 (the date Friends received the benefit of the expenditure).

An independent expenditure is made on the earlier of the following:

- The date the payment is made; or
- The date the committee making the payment receives consideration in exchange for the expenditure(s) (e.g., when the advertisement appears).

The payment for a communication which is never transmitted is not an independent expenditure and need not be reported on Schedule D. Report the expenditure on Schedule E.

Candidate and Office, Measure and Jurisdiction, or Committee

If a total of \$100 or more is contributed or expended during a calendar year to support or oppose a single candidate, ballot measure, or a general purpose committee (e.g., a political party), disclose the name of the candidate and the office sought or held,

the number or letter and jurisdiction of the ballot measure, or the name of the general purpose committee. For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure.

Type of Payment

Check one of the boxes indicating the type of payment. If the payment is a nonmonetary contribution, provide a description of the payment.

Amount This Period

Provide the amount(s) of contributions or independent expenditures made this period relative to each candidate, measure, or committee.

Example Committee to Elect Waters for Mayor made a \$100 contribution to Committee to Support Bike Lanes, Yes on Measure C on October 3. In addition to reporting it on Schedule D, the expenditure is also reported on Schedule E.

Cumulative to Date Calendar Year

Report the cumulative amount contributed to or expended to support or oppose each itemized candidate, ballot measure, or committee since January 1 of the current calendar year.

If contributions are made to more than one election committee controlled by the same candidate, report the total amount contributed to all of the committees. Do not cumulate contributions made to a candidate and to that candidate's controlled ballot measure committee, and do not cumulate independent expenditures and contributions made to support a candidate.

Example Tyson Tribe has two committees one for his 2004 election to the city council, and one to raise funds for reelection in 2008. If your committee

contributes to both, the amounts you contribute are cumulated on Schedule D.

Per Election to Date

A local ordinance may require committees in that jurisdiction to report the cumulative amount contributed to a local candidate during a specified period. The filing officer, such as the city clerk or county registrar, should have the information. In addition, if contributions were made to state candidates of \$100 or more during a state election cycle, the cumulative amount contributed during the election cycle is reported in this column.

Contribution of Goods Where No Payment Is Made

If goods on hand are contributed to another candidate or committee (e.g., paper, copier), describe the goods or services in the "Description" column, and disclose the fair market value of the contribution.

If, during a calendar year, an officeholder or candidate uses personal funds to make contributions of \$10,000 or more, or independent expenditures of \$1,000 or more, to support or oppose other officeholders, candidates, committees, or ballot measures (including a controlled ballot measure committee), the candidate must file a Major Donor and Independent Expenditure Committee Campaign Statement (Form 461). These payments are not reported on Schedule D. (See the FPPC's Information Manual for Major Donor and Independent Expenditure Committees for reporting information.)

Answering Your Questions

Q. Must a candidate file Form 461 (Major Donor and Independent Expenditure Committee Campaign Statement) if he or she makes personal contributions to his or her controlled campaign committee of \$10,000 or more?

A. No.

- Q. Must the spouse of a candidate file Form 461 if he or she makes personal contributions to his or her spouse's campaign of \$10,000 or more?
- A. If the spouse makes contributions from community funds, the spouse is not required to file as a major donor on Form 461. If the spouse makes contributions from legally separate funds, Form 461 is required.
- Q. Must a candidate file Form 461 if he or she makes personal contributions to his or her controlled **ballot measure committee** of \$10,000 or more?
- A. Yes.
- Q. Must a candidate file Form 461 if he or she makes personal contributions to other candidates and committees which total less than \$10,000, and makes contributions to his or her own committee, and all contributions combined equal \$10,000 or more?
- A. No.

Schedule E – Payments Made and Schedule F – Accrued Expenses (Unpaid Bills)

An expenditure is "made" on the date the payment is made or the date the committee receives the goods or services, whichever is earlier. Expenditures of campaign funds must have a political, legislative, or governmental purpose. (See Chapter 9.)

Use Schedule E to report money spent by the committee during the reporting period. Do not use Schedule E to report the repayment of loans received; use Schedule B, Part 1 instead. Also, do not use Schedule E when reporting loans made to other candidates, officeholders, and committees; use Schedule H instead.

Use Schedule F to report amounts owed by the committee for goods or services received

but not paid for by the end of the reporting period.

Example During October and November,

- (a) Paid a deposit on a room for a fundraiser to be held January 10;
- (b) Ordered and received the fundraiser invitations for which you were billed but had not made a payment by December 31; and
- (c) Ordered, but did not receive, flowers for the fundraiser for which you will be billed at the end of January.

On your semi-annual statement covering the period ending December 31, report the payment for the room deposit on Schedule E. Because you received the invitations but had not paid for them by December 31, disclose the outstanding amount on Schedule F. The cost of the flowers will not be reported until the next reporting period because you did not pay for nor receive the flowers during the period covered by the statement.

Unpaid administrative overhead expenses of the committee, such as rent, utilities, phones, or employee salaries, need not be reported on Schedule F if the committee has not received a bill in the normal course of business or if the due date for the payment is after the closing date of the statement. Regular administrative overhead does not include contracts for services such as accounting, legal, campaign consulting, and public relations.

Example On June 15, your committee received two bills for June services. One bill was from an outside accounting firm and the other was for office rent. The due date for both invoices is July 15. If, on June 30, the committee has not paid the two bills, the bill from the outside accounting firm is reported on Schedule F as

an accrued expense on your semi-annual statement; the rent bill, however, is not.

General Rules

Information Required

Itemize each payment or accrued expense of \$100 or more to a single payee, and any payments totaling \$100 or more for a single product or service made during the period.

If the committee has entered into an agreement to make payments over time for a product or service, other than general administrative expenses such as rent and utilities, the unpaid balance may be reportable on Schedule F as an accrued expense.

Savings Accounts/Certificates of Deposit/ Money Market Accounts

Do not report on Schedule E the transfer of campaign funds into a savings account, certificate of deposit, money market account, or the purchase of any other asset that can be readily converted to cash. Report these amounts as cash on hand on the Summary Page, Line 16.

Transfers

Report transfers of funds to another committee controlled by the candidate on Schedule E. There are restrictions on transfers of surplus funds (see Chapter 9) and on transfers of funds to run for state office. See FPPC's Information Manual for State Candidates (Manual 1).

Contributions and Independent Expenditures

If the committee makes contributions and/or independent expenditures to support or oppose other candidates, officeholders, or committees, in addition to reporting the payments or accrued expenses on Schedule E or F, complete Schedule D. For payments made for goods or services that are

nonmonetary contributions or independent expenditures, also identify the candidate, committee, or ballot measure supported or opposed by the expenditure in the "Description of Payment" column on Schedule E or F.

When a primarily formed committee makes a payment for a communication that expressly advocates support for the candidate for whom the committee is formed, the payment is reported as a contribution or independent expenditure. As discussed in Chapter 3, that determination is a factual one depending on whether the payment was made at the behest of the candidate. Refer to Supplemental Independent Expenditure Report (Form 465) and Late Independent Expenditure Report (Form 496) for further reporting instructions.

If a primarily formed committee makes contributions (including loans) or independent expenditures to support or oppose other candidates, officeholders, committees, or ballot measures, it may qualify as another type of committee, e.g., a general purpose committee, which has different disclosure obligations. Call the FPPC toll-free at (866) 275-3772 for assistance.

Subvendor Payments

Whenever an agent or independent contractor (such as a campaign worker, consulting firm, or advertising agency) makes an expenditure, or incurs a debt, of \$500 or more on behalf of the committee, the expenditure must be reported in the same detail as if it had been made directly by the committee. These are commonly known as "subvendor payments." Following are some examples of the types of subvendor payments that must be itemized. The committee also must obtain and keep receipts, invoices, and other documentation of subvendor payments. (See Chapter 1.)

- · Development of campaign strategy;
- Design or management of campaign literature or advertising;
- · Advertising time or space; and
- Surveys, polls, signature gathering, and door-to-door solicitation of voters.

Agents and independent contractors must provide the committee with the required payment information no later than three working days prior to when the campaign statement must be filed (or within 24 hours for a late contribution or a late independent expenditure). Expenditures made by the agent or independent contractor for its own overhead and operating expenses need not be itemized.

In many cases, funds paid to an agent or independent contractor in one reporting period will not be used by the agent or contractor until a subsequent reporting period. Report payments to the agent/contractor on Schedule E of the campaign statement covering the period in which the payment was made. When the agent/contractor spends the money, report subvendor payments on the campaign statement covering the period in which the agent/contractor made the expenditures; itemize payments made by the agent/contractor of \$500 or more.

Subvendor payments are most commonly reported on Schedule G, but may be reported on Schedule E or F along with the payment made or owed to the agent/ contractor. When itemizing subvendor payments on Schedule E or F, do not include the payments in the "Amount Paid" column, as this will inflate expenditure totals.

An agent purchased \$535 worth of flowers. \$250 worth of postage, and \$100 worth of balloons for a fundraiser. Itemize the agent's name and address on Schedule E (or Schedule F if the

agent was not reimbursed during the reporting period), provide a code or a description of the expenditures, and the amount being reimbursed: \$885. In addition, on Schedule G, itemize the name and address of the florist, enter the code FND or provide a description of the expenditure, and the amount paid to the florist: \$535.

Credit Card Payments

When reporting payments to a credit card company, report the name, street address, city, state, zip code, and the amount of payment. In addition, provide the name, street address, city, state, and zip code of any vendor that received \$100 or more, the amount paid to each vendor itemized, and a code or description of the payment. If a payment on the credit card has not been made by the end of the reporting period, or only partial payment has been made, report the amount outstanding to the credit card company on Schedule F. Payments to the credit card company should be reflected on Schedule E, when payments are made, and Schedule F, when there is a balance still owing at the end of the reporting period. Vendors are not required to be listed more than one time.

Example Sandra's committee for city council used the campaign credit card on December 28 at two different vendors to purchase office supplies and to have invitations to a fundraiser printed. The printing job cost \$560, while the office supplies were under \$100. Since the committee did not make a payment on the credit card by December 31, the end of the reporting period, the amount owed is reported on Schedule F. In addition to the total amount owed to the financial institution that issued the credit card, the committee also itemizes the printer, since the amount owed is \$100 or more. The committee will report payments it makes to the financial institution, but does not reitemize any vendors.

Contingency Payments

If the committee has entered into an agreement to pay a contingency fee, such as a bonus to a consultant if the campaign is successful, report the fee amount on Schedule F only if it is outstanding at the end of the campaign. The fee is not required to be reported as an accrued expense until it is due.

Controlled Committee – Reimbursements Candidates

Candidates may not use their personal funds for campaign expenses (except for filing and ballot statement fees) without first depositing them into the campaign bank account.

Volunteers, Employees, Agents and Contractors

Volunteers (including a candidate's spouse), employees, and agents or independent contractors, e.g., a consultant or an advertising agent, may be reimbursed for goods, services, or travel expenses when the following criteria are met:

- The treasurer is provided with a dated receipt and a written description of each expenditure prior to reimbursement;
- The reimbursement is paid within 45 calendar days after the expenditures are made; and
- There is a written contract between the committee and the agent/independent contractor providing for the reimbursement of expenditures. (Volunteers and employees do not need a written contract.)

If the reimbursement does not occur within 45 calendar days, the expenditure is considered a nonmonetary contribution from the volunteer, paid employee, or agent/independent contractor, unless the person seeking reimbursement has made a good faith effort to obtain reimbursement and is unable to collect from the committee.

Officeholders

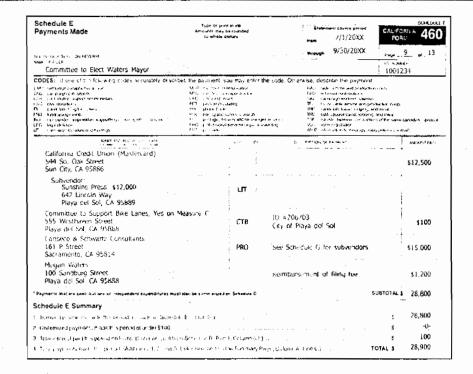
Officeholders may be reimbursed for expenses related to holding office paid for from personal funds when the following criteria are met. (See Chapter 9.)

- The officeholder provides the committee's treasurer with a dated receipt and a written description of the expenditure; and
- · Reimbursement occurs:
 - For a monetary expenditure: Within 90 calendar days after the officeholder incurs the expense.
 - For a credit card or charge account:
 Within 90 calendar days of the end of the billing period.

If the reimbursement does not occur within the 90-day period, the amount must be reported as a nonmonetary contribution from the officeholder to the committee and no reimbursement may occur.

An officeholder may be reimbursed from either the controlled committee campaign bank account established for election to the incumbent term of office, or from a controlled committee bank account established for a different election to the same office, if all of the conditions mentioned above are met. When reporting reimbursements to the officeholder, subvendor payments of \$100 or more must be itemized.

Form 460 Schedule E



How to Complete Schedule E Payments Made

Name and Address of Payee

Itemize each payment of \$100 or more made to a single payee during the reporting period, and any payments totaling \$100 or more made during the period for a single product of service. Include the name, street address, city, state, and zip code of the payee. Do not use a post office box number when reporting the address of a payee or creditor.

Code or Description of Payment

When itemizing payments, provide either a code or a description of the payment. Expenditure codes are explained in detail in the Form 460, Schedule E instructions. If none of the codes listed on Schedule E fully explains the expenditure, leave the code column blank and provide a brief description of the goods or services purchased.

If several expenditures are made to one vendor during the same reporting period, all of the payments to the vendor may be

reported in a single record. When coding the expenditures, use the code that represents the largest share of the expenditures, and the description field for the other codes or a description. Alternatively, each expenditure may be reported separately by category.

Payment of Accrued Expenses

When paying accrued expenses previously reported on Schedule F, report all payments on Schedule E, itemizing at \$100. Subvendor information is only required to be reported once, and does not need to be reitemized on Schedule E if it was disclosed on Schedule F of a previous report.

Schedule E Summary

The total amount of expenditures is reported on Line 4 of the summary section of Schedule E and on the Form 460 Summary Page, Column A, Line 6. If the committee is paying interest on an outstanding loan, in addition to reporting the amount on Schedule B, Part 1, Column (e), also report the amount on Line 3 of the summary section of Schedule E.

Form 460 Schedule F

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How to Complete Schedule F Accrued Expenses (Unpaid Bills)

Name and Address of Creditor

Itemize each accrued expense of \$100 or more owed to a single creditor. Provide the name, street address, city, state, and zip code of the creditor. Do not use post office box numbers. Continue to list an unpaid bill until it is paid.

Code or Description of Payment

When itemizing accrued expenses, provide either a code or a description of the outstanding payment. Expenditure codes are explained in detail in the Form 460, Schedule E instructions. If none of the codes listed on Schedule F fully explains the outstanding payment, leave the code column blank and provide a brief description of the goods or services.

If several accrued expenses are owed to one vendor during the same reporting period, all of the accrued expenses to the vendor may be reported in a single record. When coding accrued expenses, use the code that represents the largest share of the accrued expenses, and the description field for the other codes or a description. Alternatively, each expenditure may be reported separately by category.

Amount Columns

For each itemized accrued expense, report any outstanding balance remaining for the accrued expense from the previous period in column (a), the amount of new accrued expenses incurred this period in column (b), the amount paid this period in column (c), and any outstanding balance at the close of the period in column (d).

When payments on accrued expenses are made, in addition to itemizing payments of \$100 or more on Schedule F, itemize the payments on **Schedule** E. Include unitemized payments on accrued expenses on Line 2 of the summary section of Schedule E.

Estimating Accrued Expenses

If the exact amount of a debt or obligation is unknown, an estimate may be reported. When the exact amount is known the committee must 1) amend the statement on which the estimated amount was reported; or 2) make an adjustment on the next campaign statement by showing the difference between the estimated amount and the actual amount in column (b), Amount Incurred This Period. If the actual amount is less than the estimate, the amount listed in column (b) should be a negative number and subtracted from the totals. When reporting estimated amounts or corrections to estimated amounts, note that fact on the campaign statement.

Example On its second preelection statement, the Richards for Treasurer committee reported an estimated accrued expense of \$5,000 owed to ABC Printing. An invoice was received during the next reporting period showing the actual amount owed as \$4,500. On Schedule F, column (a) of its next statement, the committee will report an outstanding accrued expense of \$5,000. In column (b), the amount incurred this period will be a negative \$500. The committee paid the entire bill and therefore will report \$4,500 as paid this period in column (c), with a zero balance in column (d).

Forgiven Accrued Expenses or Third Party Payments

If a creditor reduces or forgives a debt previously reported on Schedule F, or if another person pays a debt for the committee:

 Indicate that the debt was forgiven, reduced, or paid by a third party and write "See Schedule C" in the "Description of Payment" column. Also report the creditor/payor and the amount as a nonmonetary contribution on Schedule C. Report the amount forgiven, reduced, or paid by a third party in the "Amount Paid This Period" column and indicate that it was a forgiveness or third party payment or report the amount as a negative number in the "Amount Incurred This Period" column. Do not report the amount on Schedule E.

If the decision to forgive or reduce the debt is based on a bona fide business judgment that all or part of the debt is uncollectible, the creditor may not be making a contribution. Because this is a factual determination, call the FPPC toll-free at (866) 275-3772 for advice.

Outstanding Accrued Expenses

Line 9, Column B of the Summary Page should reflect the total of all outstanding accrued expenses. Accrued expenses are carried forward on future statements until paid.

Schedule F Summary

Line 3 of the summary section of Schedule F will be a negative amount when payments on accrued expenses are more than the amount of new accrued expenses. Transfer the amount to the Summary Page, Column A, Line 9 as a negative amount and subtract it from the figure in Column B of the previous campaign statement to determine the figure for Column B, Line 9 of this statement.

Answering Your Questions

- Q. When are unpaid bills reportable as accrued expenses?
- A. The basic rule is that you must report an accrued expense any time you have received goods or services but have not paid for them by the end of the reporting period.
- Q. What if I have not received an invoice from the vendor yet?

- A. If you have received the goods or services, you must report the accrued expense even if you have not received an invoice. If you do not know the exact amount, you may estimate the amount of the expense. When reporting an estimate, note that fact on Schedule F.
- Q. We have a contract to pay our campaign consultant \$1,000 per month. If the closing date of the campaign statement falls during the middle of the month, say March 17, must we report an accrued expense for the period March 1 through March 17?
- A. No. When you have agreed in writing to pay a contractor a set amount at regular intervals, it is not necessary to prorate the amount owed to the contractor if the reporting period closes before the end of the contract period.
- Q. When an accrued expense is owed and there are subvendor payments, when are the subvendors reported? For example, if we report an accrued expense owed on a credit card and list the subvendors, must we reitemize the subvendors again on Schedules E and F when the accrued expense is paid?
- A. No. It is not necessary to reitemize subvendors when payments are made on accrued expenses, or if an accrued expense is reported on more than one statement. In this example, the subvendors must be reported on the first statement disclosing the accrued expense owed to the credit card company. On subsequent statements, only the credit card company must be itemized.

Form 460 Schedule G

chedule G syments Made by an Agent or Independent ontractor (on Behalf of This Committee)	Type or print in Int. Amounts may be rounded to whole dollars.	Statement covers period from 7/1/20XX	CALIFORNIA 460		
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Committee to Elect Waters Mayor			1001234		
Conseco & Schwartz Consultants					
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ayments that are contributions or independent expenditures must at NAME AND ASKNESS, OF PARTE OF CAFOROTO	so be summerized on Schedule D.	DESCRIPTION OF PAYMENT	E A' DISOMA		
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Playa del Sol. CA 95888	1 1		1111		
Beach News			i		
			\$13,000		
1825 Sunflower Drive	PRT :				
1825 Sunflower Drive Strand, CA 95889	PRI				
1825 Sunflower Drive			TOTAL' \$ \$13,600		

Schedule G – Payments Made by an Agent or Independent Contractor

Use Schedule G to report payments made on behalf of the committee by agents (such as campaign workers) and independent contractors (such as a consulting firm or an advertising agency). This schedule may be used in lieu of itemizing these amounts on Schedule E or F.

General Rules

Who Completes Schedule G

Schedule G may be completed by the agent or independent contractor and given to the committee, or it may be completed by the committee from information provided by the agent or independent contractor.

Deadline

Agents and independent contractors must provide the committee with the required payment information no later than three working days prior to the filing deadline of the campaign statement (or within 24 hours for a late contribution or late independent expenditure).

How to Complete Schedule G

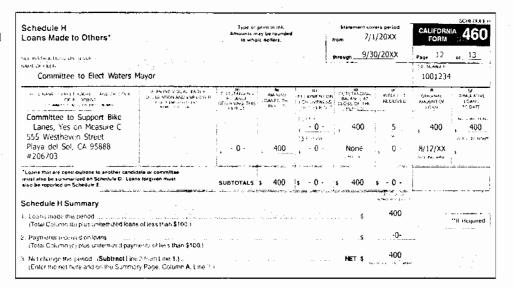
Name and Address of Payee or Creditor

Itemize payments of \$500 or more made by the agent or independent contractor. Provide the name, street address, city, state, and zip code of the payee. Do not use post office box numbers.

See the general rules for Schedules E and F for additional information.

Do not transfer Schedule G totals to any other schedule or to the Summary Page.

Form 460 Schedule H



Schedule H - Loans Made to Others

Schedule H is for reporting loans made by the committee. Outstanding loans are reported on each campaign statement until they are paid.

General Rules

Generally, campaign funds may be used to make loans to other candidates, officeholders, or bona fide charitable, educational, civic, religious, or similar taxexempt non-profit organizations. There are restrictions on loans to any other person, including a candidate who controls the committee, or to a non-profit organization that is affiliated with a candidate, the treasurer, or other committee officials.

A primarily formed committee that makes contributions, including loans, to candidates, officeholders, or committees (other than the candidate(s) for which the committee is primarily formed) may qualify as a different kind of committee with different reporting obligations. Call the FPPC toll-free at (866) 275-3772 for assistance.

Because a loan is considered a contribution, loans to candidates are subject to applicable state or local contribution limits.

How to Complete Schedule H

Recipient Information

For each loan of \$100 or more that was made or was outstanding during the reporting period, disclose the recipient's name and address and, if the recipient is an individual, his or her occupation and employer or, if self-employed, the name of the business.

(a) Outstanding Balance Beginning This Period

Enter the outstanding loan balance at the beginning of this reporting period (Column (d) of the last report filed). If the loan was received this period, Column (a) should be left blank

(b) Amount Loaned This Period

Enter the amount loaned to the recipient during this reporting period. If this loan was made in a previous reporting period, Column (b) should be left blank.

(c) Repayment or Forgiveness This Period

Enter the amount of any reduction of the loan during this reporting period. Indicate whether

the loan was paid or forgiven. If the committee forgives a loan, also report the transaction on Schedule E and, if the recipient of the loan is a candidate or committee, report the forgiveness as a contribution on Schedule D.

(d) Outstanding Balance at Close of This Period

Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

(e) Interest Received

Enter the interest rate and amount of interest received on the loan during this reporting period. Interest received is reported separately from payments received on the loan principal. Interest received is also transferred to the Schedule I Summary.

(f) Original Amount of Loan

Enter the original amount of the loan and the date it was made. If this is the first time the loan is being reported, this will be the same amount as reported in Column (b).

(g) Cumulative Loans to Date

For each loan that is a contribution, enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) made to the recipient during the calendar year covered by the statement. If the recipient is subject to state contribution limits, also enter the total amount contributed in connection with each election and identify the election year. Because loans are contributions, the total amount of contributions made to a state candidate's committee, including loans, may not exceed the applicable limit. (Loans to candidates or other committees must also be reported on Schedule D.)

Schedule H Summary

Line 3 of the summary section of Schedule H will be a negative amount when payments

received this period are greater than the amount of new loans made. Transfer the amount to the Summary Page, Column A, Line 7 as a negative figure and subtract this amount from the figure in Column B, Line 7 on the previous statement filed to determine the amount to report in Column B, Line 7 of this statement.

Schedule I – Miscellaneous Increases to Cash

Report on Schedule I increases to the committee's cash position that are not monetary contributions, loans, or repayments of loans made to others.

Examples

- Proceeds, up to the fair market value, of items sold at a garage sale or auction.
- Refunds received on deposits, such as a telephone or room rental deposit or from over-payment of bills.
- Interest received or credited to a checking or savings account or other time deposit.
- Interest payments received on loans made to others.
- Receipts from the sale of committee assets.
- Transfers of funds received by a controlled committee from another committee controlled by the same candidate. However, there are special rules for transferring funds to a committee for state office. (See Manual 1.)

General Rules

Donated Items

When reporting sources who have purchased donated items, e.g., items sold at a garage sale, report the amount received, up to the fair market value, on Schedule I. Any amount in excess of the fair market value is a contribution and reported on Schedule A.

Form 460 Schedule I

Schedule I Miscellaned	ous Increases to Cash	Type or print in link, Amounts may be rounded to whole dallers	nounts may be reunded to whole deliers Statement covers period from 7/1/20XX		
en postrucione Marion roche	ON HEACH.		Price 9/30/20XX	Page 13 of 13	
Committe	to Elect Waters Mayor			1001234	
PATE HEGENED	FIRE NAME AND ADDITESS OF STRUCK of COMMITTEE AS DEVICE DESIGNARY	, w	PERBUTION OF BECEIN!	AMOUNT OF MICH ASC TO GALIR	
9/19	Gail Winds 100 Sycamore Street Playa del Sol, CA 95888	Purchas	e of TV	\$1,000	
9/20	Waters for City Council 10 Parkway Plaza Playa del Sol, CA 95888	ID #983 Transfer	8924 of funds	\$3,000	
	polyatormation on appropriative, labeled continuation sources		SUBTOTAL		
Schedule I S	Summary			5-76-11	
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	increases to cash of under \$100 this period ,		s -0 s 4,000		
	nterest received this period or loans made to others. (Sch		\$ 4,000		
	ilandous increases to cash this period. (Add Lines 1-2) a tage, tune 14.)	nd 3. Enter here and on the	TOTAL \$ 4,000		

Example Gail Winds purchased a television donated by Seaside TV Sales at your committee's garage sale. The donated television was previously reported on Schedule C with a fair market value of \$1,000. Gail paid \$1,100 for the television. Report the fair market value of \$1,000 on Schedule I and itemize the additional \$100, the amount over the fair market value, as a contribution on Schedule A.

Uncashed Checks

If the committee writes a check that is never deposited or negotiated, report the amount of the uncashed check on Schedule I.

Decreases to Cash

All decreases to cash must be reported as expenditures on Schedule E or H.

How to Complete Schedule I Miscellaneous Increases to Cash

Date

Report the date the committee received the miscellaneous receipt.

Source Information

Itemize sources of \$100 or more. Provide the full name, street address, city, state, and zip code of the source. Post office box numbers are not acceptable.

Description

Provide a description of the receipt, e.g., refund on room deposit for fundraiser.

Amount

Enter the amount of the receipt.

Schedule I Summary

The total amount of miscellaneous increases to cash is reported on Line 4 of the summary section of Schedule I and on the Summary Page, Column A, Line 14.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 81004.5 Reports and Statements; Amendments.
- 82013 Committee.
- 82015 Contribution.
- 82018 Cumulative Amount.
- 82025 Expenditure.
- 82025.5 Fair Market Value.
- 82044 Payment.
- 84105 Notification of Contributors.
- 84211 Contents of Campaign Statement.
- 84212 Forms: Loans.
- 84213 Candidate Verification.
- 84216 Loans.
- 84216.5 Loans Made by a Candidate or Committee.
- 84302 Contributions by Intermediary or Agent.
- 84303 Expenditures by Agent or Independent Contractor.
- 84306 Contributions Received by Agents of Candidates and Committees.
- 85201 Campaign Bank Account.
- 85308 Family Contributions.
- 85501 Prohibition on Independent Expenditures by Candidate Controlled Committees.
- 85700 Donor Information Requirements; Return of Contributions.
- 89511.5 Use of Personal Funds for Incumbent Elected Officers.
- 89515 Use of Campaign Funds for Donations and Loans.

Title 2 Regulations

- 18116 Reports and Statements; Filing Dates.
- 18215 Contribution.
- 18215.1 Contributions; When Aggregated.
- 18216 Enforceable Promise to Make a Payment.

- 18421 Cash Equivalents.
- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18421.2 Street Address.
- 18421.3 Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
- 18421.6 Reporting Accrued Expenses.
- 18423 Payments for Personal Services as Contributions and Expenditures.
- 18427.1 Notification to Contributors of \$5.000 or More.
- 18428 Reporting of Contributions and Independent Expenditures
 Required to be Aggregated.
- 18431 Reporting of Expenditures by an Agent or Independent Contractor.
- 18432.5 Intermediary.
- 18526 Reimbursement of Expenditures.
- 18533 Contributions from Joint Checking
- 18570 Return of Contributions with Insufficient Donor Information.

Chapter 7 Additional Reports

In addition to the reports discussed in Chapter 6, other special reports may be required depending on a committee's activity, including:

- Supplemental Independent Expenditure Reports (Form 465)
- Supplemental Pre-election Reports (Forms 460 and 495)
- Late Independent Expenditure Reports (Form 496)

- Late Contribution Reports (Form 497)
- Paid Spokesperson Reports (Form 511)
- Special Odd-year Reports (Form 460)
- Reports of Communications Identifying State Candidates (Form E-530)

Each report is discussed in detail in the following pages.

Your Committee	File
Makes independent expenditures of \$1,000 or more to support or oppose a single candidate or ballot measure	Form 465
Makes contribution(s) totaling \$10,000 or more to state officeholders during the first or third quarter of an odd-numbered year	Form 460
Makes contributions of \$10,000 or more in connection with a local or special state election	Form 495
Makes independent expenditures of \$1,000 or more to support or oppose a single candidate or ballot measure during the 16 days before the candidate or measure's election	Form 496
Receives contributions totaling \$1,000 or more from a single source during the 16 days before your election	Form 497
Makes contributions totaling \$1,000 or more to a candidate or ballot measure committee during the 16 days before the candidate or measure's election, or to a state or county political party committee during the 16 days before a state election	Form 497
Makes expenditures of \$5,000 or more for an individual to appear in a ballot measure advertisement	Form 511
Makes payments of \$50,000 or more to "feature" a state candidate 45 days before an election	Form E-530

Supplemental Independent Expenditure Report (Form 465)

See Chapter 3 for the definition of "independent expenditure." Reminder: Candidates may not use campaign funds to make independent expenditures to support or oppose other candidates.

A Supplemental Independent Expenditure Report (Form 465) is filed when a candidate or committee makes an independent expenditure of \$1,000 or more to support or oppose a single candidate or a single measure. Although candidates may not use campaign funds to make independent expenditures to support or oppose other candidates, they may be required to file Form 465 if personal funds are used to make independent expenditures to support or oppose a single candidate or ballot measure.

Form 465 must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Independent expenditures disclosed on Form 465 also must be disclosed on the candidate or committee's campaign statements (Form 450/460, or Form 461 if personal funds are spent).

Form 465 is required only if \$1,000 or more is spent to support or oppose a **single** candidate or measure. If a communication features more than one candidate or measure, the Form 465 is filed only if \$1,000 or more was expended on each candidate or measure featured. A separate Form 465 must be filed for each candidate supported or opposed.

A committee primarily formed to support or oppose candidates must file Form 465 if it makes an independent expenditure of \$1,000 or more to support or oppose any of those candidates.

Example Your committee mails a flyer asking the voters to vote for the three candidates for which your committee is

primarily formed. The flyer is **not** done at **the behest** of any of the candidates named. The total cost of the mailing, including postage, amounts to \$4,850. Because the amount attributable to each candidate is \$1,000 or more, you must file Form 465 for each candidate.

If a candidate sends out a communication opposing his or her opponent, the candidate has not made an independent expenditure. (See Chapter 3.)

When to File

File Form 465 at the same time(s) the candidate or ballot measure committee being supported or opposed is required to file statements, including the semi-annual deadline following the election if independent expenditures are made after the end of the second preelection reporting period.

Example During the second preelection reporting period, your controlled committee for mayor made an independent expenditure by spending \$1,150 to print brochures supporting Measure C in Del Sol County. The second preelection statement in connection with the ballot measure is due on April 12. Your committee must file a Form 465 with the Registrar of Voters in Del Sol County by April 12 as well.

If an independent expenditure of \$1,000 or more is made during the last 16 days before an election in which the candidate or measure being supported or opposed is to be voted on, a Late Independent Expenditure Report (Form 496) will also have to be filed within 24 hours. (Also see Form 496 discussion later in this chapter.)

Where to File

Candidate Controlled Committees

File Form 465 in the same location(s) as for a committee primarily formed to support or

oppose the ballot measure identified in the communication. This is so the voters in the affected jurisdiction have access to reports showing who has spent funds in an attempt to influence the voters there. A separate Form 465 must be filed for each ballot measure supported or opposed.

Example The Committee for Ernest Bert is domiciled in Palos County.

Because it made an independent expenditure of \$1,400 supporting a Del Sol County ballot measure, it files the Form 465 with the Del Sol County Registrar of Voters and the Registrar of Voters in Palos County.

Primarily Formed Committees

The Form 465 is filed in the same places where the committee files its regular campaign reports (Form 450/460).

Example Friends of Sarah Greene is primarily formed to support her candidacy for Verde County supervisor. The committee's address is in Sacramento County. Friends makes an independent expenditure of \$1,200 supporting Greene five days before the November election. Friends must file Form 465 with the Registrars of Voters in Verde County and Sacramento County by the January 31 deadline for filing the semiannual campaign statement. These are the same locations where the committee must file a Late Independent Expenditure Report (Form 496) disclosing the independent expenditure, and its regular campaign reports (Form 460).

If the committee makes independent expenditures to support or oppose candidates other than those for whom it is primarily formed, or to support/oppose ballot measures, Form 465 is filed in the same places as a committee primarily formed to support/oppose the candidate or measure identified in the communication. (In addition, the committee may now qualify as a

general purpose committee. Contact the FPPC for more information.)

A separate Form 465 must be filed for each candidate or measure supported or opposed.

Form 465

Supplements	Independent	Type or print in ink			CHIDEPENDENT EXPENDED
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			Date of election if applicable (Month, Dey, Year)	l	CO COLL CON CON
			11/7/20XX		
	Filer Information	1001234	Treasurer (4 recipied committee	*1	
COMMITTEE SERVICES	•		NAME OF TROASSINEA Ben Rogers		
	to Elect Waters Mayor		MA . NG ADDRESS		
10 Parkway			10 Parkway Plaza		
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Playa del So		95888 555/333-5432	Playa del Sol	CA 95888	555/333-5432
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Brogers@jp:	s.net		Brogers@jps.nut		
. Name of Car	ndidate or Measure S	upported or Opposed			THECKONE
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DATE	•	DHESS ON FAYER	ON SAIN TENNACION ENPERIMENTE	AMOUNT	CALLO, APPEAR CALLO, APPEAR CAN 1 CT STI
11/1/XX	Boach City News 1500) Street Playa del Sol, CA	26000	Newspaper Ad	\$1,265	\$1,265

How to Complete Form 465 Period Covered

The "period covered" by this report begins the day after the closing date of the most recent Form 465 filed related to the candidate or measure supported or opposed.

If this is the first Form 465 filed for the current year for a particular candidate or measure, the period covered begins January 1. The closing date of the period covered is the closing date for the current campaign statement being filed for the candidate or measure. For example, if the independent expenditure was made during the first preelection period, the Form 465 would cover the period through the closing date for the first preelection statement filed by the candidate or measure identified in the communication.

Filer Information

Provide the committee's full name, street address, city, state, zip code, telephone number, and identification number. Also list the name, address, and telephone number of the committee's treasurer and assistant treasurer, if any.

Name of Candidate or Measure Supported or Opposed

Report the name of the candidate supported or opposed and the office the candidate is seeking, including the district number, if applicable. Or, report the name of the ballot measure supported or opposed by the independent expenditure, including the ballot number or letter and the jurisdiction of the election. Indicate whether the independent expenditure supported or opposed the candidate or ballot measure.

Independent Expenditures Made

Provide the date, name and address of the payee, along with a short description of the expenditure, its amount, and the cumulative amount expended to date on the candidate or measure supported or opposed.

Summary

Complete the summary section by entering the total of all independent expenditures of \$100 or more made during the period for the candidate or ballot measure, the total of all independent expenditures of under \$100

Form 465 Page 2

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Committee to Elect Waters Mayor							01234
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made during the period, and the total for both.

Filing Officers

Enter the title and address of each filing officer with whom the committee files its regular preelection or semi-annual statements.

Verification

The Form 465 is not considered filed if it is not signed.

Amendments

To amend a previously filed Form 465, file another Form 465 with the "Amendment" box checked and the corrected or missing information included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

Q. Is an officeholder or candidate who files a Campaign Statement-Short Form (Form 470) still required to file a Form 465 if he or she spends \$1,000 or more in personal funds on an independent expenditure to support/oppose another candidate or ballot measure?

- A. Yes. He or she must file the Form 465 to report this activity.
- Q. Is an independent expenditure reportable by the committee for the candidate or the ballot measure named in the communication?
- A. No. Because the communication is not made at the behest of the candidate or ballot measure committee, that is, without its coordination, control, or suggestion, the expenditure for the communication is only reported by the person making it.
- Q. Is a candidate's controlled committee making an independent expenditure when it pays for a communication that supports the controlling candidate and supports or opposes a ballot measure listed on the same ballot or a communication opposing the controlling candidate's opponent?

- A. No. These types of expenditures are considered promoting one's own election.
- Q. May a committee pro-rate the value of a communication that contains both an independent expenditure and a nonpolitical message?
- A. Yes. The committee should value the independent expenditure as the portion of the costs directly associated with sending the message that expressly advocates election or defeat of a candidate or measure.

Supplemental Preelection Campaign Statement (Form 495)

A Supplemental Preelection Campaign Statement (Form 495) must be filed if:

- The committee makes contributions totaling \$10,000 or more to any number of candidates or committees primarily formed to support or oppose candidates or measures all being voted upon in one jurisdiction on the same day, and
- The contributions were made during the period beginning six months prior to the recipient's election and ending 17 days before the election.

Form 495, covering the period beginning six months prior to the election through 17 days before the election, is filed as an attachment to a campaign statement (Form 450 or 460). The period covered by the Form 450 or 460 begins the day after the closing date of the most recent campaign statement filed through 17 days before the election.

Form 495 is not required during any semiannual period in which the committee is required to file regular preelection statements or if all the information that would be reported on the Form 495 is reported on a semiannual statement or Special Odd-Year Campaign Report already on file. (See the section on Special Odd-Year Campaign Report later in this chapter.) Examples Two months before her November election. Megan Waters, candidate for mayor in the city of Playa del Sol, makes a \$4,500 contribution to the Committee to Support Bike Lanes, Yes on Measure C, and contributes \$3,000 each to two candidates running for city council, all in the city of Playa del Sol. Since Megan Waters must file a preelection campaign statement in connection with her own election, it is not necessary that she also file Form 495.

One month before an April ballot measure election held in an odd-numbered year, an incumbent county supervisor makes a contribution of \$12,000 to the committee primarily formed to support the measure. The supervisor's committee must file Form 495 attached to its Form 460 no later than 12 days before the April election. The Form 495 will disclose the \$12,000 contribution and the Form 460 will disclose all contributions received and expenditures made by the supervisor's committee, including the \$12,000 contribution, since the last Form 460 was filed. Both forms are filed where the supervisor regularly files his campaign statements, i.e., his county's registrar of voters.

When to File

File Form 495, attached to the committee's Form 450 or 460, no later than 12 days before the recipient's election. The reports must be sent by guaranteed overnight delivery or personal delivery.

Where to File

File Form 495 and the campaign statement with each office where the committee is required to file its regular campaign statements.

If the committee made contributions of \$10,000 or more in connection with more than one election, a separate Form 495 must be completed for each election.

Form 495

Campaign Statement		Type or privil	n ink		Date Starre		ALIFORNIA 10E
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Committee information		1001234		Treasurer(s)			· · · · · · · · · · · · · · · · · · ·
COMMITTE NAME		77	_	NAME OF THE HISTORY			
Committee to Elect Water	s Mayor			Ben Rogers			
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10 Parkway Piaza				an	: "ATC	2F 0206	ANI A LUCCULTURE
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Date Requir	redi			Sanature of the Audit for			
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How to Complete Form 495

Committee Information

Disclose the committee's name, street address city, state, zip code, identification number, and daytime telephone number, as well as the name, address, and daytime telephone number for the committee treasurer and assistant treasurer, if any.

Contributions Made

Enter the date and jurisdiction of the election and the total amount contributed during the period beginning six months before the election and ending 17 days before the election.

Verification

The Form 495 is not considered filed if it is not signed.

Amendments

To amend a previously filed Form 495, file another Form 495 with the "Amendment" box checked and the corrected or missing information included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Late Independent Expenditure Report (Form 496)

A Late Independent Expenditure Report (Form 496) must be filed if the committee makes independent expenditures totaling \$1,000 or more to support or oppose a single candidate or a single ballot measure during the 16 days prior to the candidate or measure's election.

(See Chapter 3 for the definition of "independent expenditure.") Reminder: Candidates may not use campaign funds to make independent expenditures that support or oppose other candidates.

Late independent expenditure reports must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Late independent expenditures also must be disclosed on the candidate or committee's next campaign statement (Form 450/460), and on the Supplemental Independent Expenditure Report (Form 465).

The following are not considered independent expenditures by a candidate's controlled committee:

- Expenditures supporting the controlling candidate's election (or against his or her opponent);
- Expenditures for communications supporting the controlling candidate's election that also support or oppose other candidates or ballot measures being voted on in the same jurisdiction and election.

Megan Waters for Mayor Committee distributed a flyer supporting Megan's candidacy and Henry Pellon's candidacy for city council in the same city. There was no coordination with Henry or his committee. Megan's committee has not made an independent expenditure supporting Henry.

A primarily formed committee to support/ oppose a candidate(s) that makes a late independent expenditure of \$1,000 or more to support/oppose that candidate(s), or another candidate or ballot measure, must file a late independent expenditure report.

formed to support Megan Waters for mayor. Your committee is not Megan Waters for mayor. Your committee, but is independently making expenditures to get her elected. Three days before the election, your committee, on its own and not at the behest of Ms. Waters, purchased an advertisement in a local newspaper for \$1,200 urging voters to support Waters. File a late independent expenditure report within 24 hours of making this payment.

If the committee does not expend \$1,000 or more to support or oppose a single candidate or a single measure during the last 16 days before an election, a late independent expenditure report is not required.

Example Ten days before an election. your committee independently spent \$1,700 on a mailing equally supporting two candidates. The mailing was done completely independent of the candidates; the value to each was \$850. Since your committee did not expend \$1,000 or more on the mailing for any one candidate, you do not need to file a late independent expenditure report.

Later, three days before the election, your committee independently spent \$400 on signs supporting one of the candidates listed in your earlier mailing. Because the total spent on behalf of this candidate within the last 16 days before the election was \$1,000 or more, file a Form 496.

The committee may use either Form 496, or create its own form, as long as all of the required information is provided. A separate report must be filed for each candidate or measure supported or opposed.

When to File

The report must be filed within 24 hours of making a late independent expenditure. An independent expenditure has been made when a communication is made, or when a payment is made in connection with the development, production, or dissemination of the communication, whichever is earlier.

Where to File

Candidate Controlled Committees

The report is filed as if the committee were primarily formed to support or oppose the measure identified in the communication. This allows voters in the affected jurisdiction to have access to reports showing who has spent funds attempting to influence them. File a separate report for each ballot measure supported or opposed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

Example A Playa del Sol city council candidate's committee makes a late independent expenditure to support a state ballot measure. Playa del Sol is located in Beach County. The committee files the late independent expenditure report with the Secretary of State, the City and County of San Francisco, Los Angeles County, and the Registrar of Voters for Beach County.

Primarily Formed Committees

The report is filed in the same places the committee files its regular campaign reports (Form 450/460). However, if the committee makes independent expenditures to support or oppose candidates other than those for which it is primarily formed, or to support/

oppose ballot measures, the report should be filed in the same places as a committee primarily formed to support/oppose the candidate or measure identified in the communication. (In addition, the committee may now qualify as a general purpose committee. Contact the FPPC for more information.)

File a separate report by fax, guaranteed overnight delivery, or personal delivery for each candidate or ballot measure supported or opposed. Regular mail may not be used.

Form 496

Committee to Elect Waters	Mayor		This Filing 11/1/20XX	Oask Stamp	CALIFO		196
\$55/333-5432		1234	Report No			Of Kar Use 1	087
10 Parkway Plaza			Amendment to Report No.				
Playa de! Sol	CA	95888	No. of Pages 2		!		
			C	City of Playa	del Soi	Х	
. Independent Expenditures Made	Atlach additions' informe	encon on appropriately by	beled continuation phases				
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11/1/XX	Newspaper	r A d			1 5	1,265	

Late indepe	endent Expenditure Report			LATE PROEP	CALIFORNIA ACC
MALOFFEE H		· · · · · · · · · · · · · · · · · · ·			FORM 490
Committee	e to Elect Waters Mayor				1001234
. Contributio	ons of \$100 or More Received*				
func for allers	PULL NAME: 67 HIS T ADDRESS AND THE GOOD C		F AN ROLL IN A STREET OF A STR	AVXV.	W'EBFSTRAITS
10/29/XX	Megan Waters 100 Sandburg Drive	K) MO C) COM () OTH	Realtor, Waters Realty	\$2,500	if loan onler interest late, if any
	Playa del Sol, CA 95888	11500	waters resulty		

How to Complete Form 496

Filer Information

Enter the committee's name, street address, city, state, zip code, and identification number.

Date of This Filing

Indicate the date of filing this report.

Report Number

Assign a unique number to each late independent expenditure report, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.

Amendment to Report Number

If this is an amendment to a report previously filed, assign a new unique identifying number as the Report Number, check the "Amendment" box, and indicate the number of the report being amended.

Number of Pages

Note the number of pages included in the report.

Name of Candidate/Measure Supported or Opposed

Part 1. Disclose the name, office sought and the district number, if applicable, of the candidate supported or opposed in the communication, or the name, ballot number or letter, and jurisdiction of the ballot measure supported or opposed. Check the box indicating whether the candidate or ballot measure was supported or opposed by the independent expenditure.

Independent Expenditures/Payments Made

Part 2. Disclose the date the committee made the expenditure, a description of the expenditure, e.g., printing, postage, mail house, etc., and the amount of the expenditure.

Contributions of \$100 or More Received

Part 3. Disclose contributions of \$100 or more received since the closing date of the last campaign statement filed. If no previous campaign statement has been filed, disclose

contributions of \$100 or more received since January 1 of the current calendar year.

Report the date the contribution was received, the full name, street address, city, state, and zip code of the contributor. For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, "other" (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.) If the contributor is an individual, provide his or her occupation and employer. Report the amount received, and, if the contribution was a loan, provide the interest rate.

Amendments

To amend a previously filed late independent expenditure report, file a new Form 496 with the corrected information and the "Amendment" box checked. Or, disclose the required information on a piece of paper identified as an amendment. The "Report Number" of the report being amended should be included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

- Q. Must a committee primarily formed to support a city council candidate file a late independent expenditure report if it spends \$1,000 or more during the last 16 days before the election for a communication supporting the candidate?
- A. Yes. If the communication was not done at the behest of the candidate, the primarily formed committee must file a late independent expenditure report within 24 hours and a Supplemental Independent Expenditure Report (Form 465) after the election.
- Q. Is a candidate making an independent expenditure when he or she pays for a

- communication supporting his or her own candidacy or opposing his or her opponent?
- A. No. The expenditure is considered promoting one's own election.

Late Contribution Report (Form 497)

A Late Contribution Report (Form 497) must be filed if a committee controlled by the candidate or a primarily formed committee:

- Receives a contribution of \$1,000 or more, or multiple contributions aggregating \$1,000 or more, from a single source during the 16 days prior to the candidate's election; or
- Makes a contribution or contributions totaling \$1,000 or more to a candidate, primarily formed committee, or ballot measure committee during the 16 days before the candidate's or measure's election; or
- Makes a contribution or contributions totaling \$1,000 or more to a state or county political party committee during the 16 days before a state election.

This includes monetary and nonmonetary contributions, loans, or a combination of contributions and loans. This also includes a candidate's personal funds contributed or loaned to his or her own campaign.

Fourteen days before the November election, Friends of Megan Waters, a non-controlled committee primarily formed to support Megan Waters for mayor, made a \$500 contribution to her campaign. Ten days before the election, the committee made another \$500 contribution. These two contributions in the aggregate amount to \$1,000. Both the Friends committee and Megan's committee must file a late contribution report within 24 hours of the second contribution.

Only contributions made or received during the last 16 days before the election are aggregated to reach the \$1,000 threshold. A contribution made or received before the 16-day late contribution period is not aggregated with a contribution made to the same candidate or committee, or received from the same source, during the late period.

Example Seventeen days before the November election, Megan received a \$600 contribution from an individual contributor. Another \$600 was received from the same contributor four days before the election. Since an aggregate of \$1,000 was not received during the last 16 days before the election from this individual, Megan's campaign is not required to file a late contribution report for this contributor.

Late contribution reports must be filed in addition to any preelection and semiannual campaign statements the candidate or committee is required to file. Late contributions also must be disclosed on the candidate or committee's next campaign statement (Form 450/460).

When to File

A late contribution is received on the date the candidate, committee, or an agent of the committee obtains possession or control of the check or nonmonetary item which constitutes the contribution. A late contribution is made on the date it is mailed, delivered, or otherwise transmitted to a candidate or committee. Late reports must be filed within the required 24 or 48 hours. The "next business day" extensions for filing periodic reports does not apply to late reports.

Monetary

The late contribution report must be filed within 24 hours of receiving or making a late monetary contribution.

Nonmonetary

Making

Within 24 hours of making a late nonmonetary contribution:

- · File a late contribution report; and
- Notify the recipient of the value of the late nonmonetary contribution by personal delivery, fax, or guaranteed overnight mail

Receiving

Within 48 hours of **receiving** a late nonmonetary contribution:

File a late contribution report.

When more than one nonmonetary contribution will be made to or received from a single contributor during the late contribution reporting period, the committee may, on or before the deadline, file a single report covering the entire late contribution period. The report should disclose the total value of nonmonetary contributions that will be made, or, if the actual value of nonmonetary contributions is not known at the time of filing, a good faith estimate of the value that will be contributed or received during the period. If the value of late nonmonetary contributions differs from the estimated amount by 20 percent or more, the estimated report must be amended within 24 hours from the time the committee knows that the estimated value is incorrect.

The committee may use the Late Contribution Report (Form 497) to disclose late contributions made or received, or create its own form, as long as all of the required information is provided.

Where to File

The late contribution report must be filed by fax, guaranteed overnight delivery service, or personal delivery, at the same locations where the committee files its regular

Form 497
Page 1
Late
Contributions
Received

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Committee to	Flect Waters M	layor		Date of This Filling	10/30/20XX	One Same	CALIFO	RNIA 49
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10/29/XX	Juan Santo 3030 Parky Playa del S				DE IND COM DIFFY SGC	Accountant, Miller CPA, Inc.		\$1,500
10/29/XX	Megan Wat 100 Sandb Playa del S				M IND COM OTH U PTY U SCC	Realtor, Waters Realty		\$2,500

campaign statements (e.g., Form 460). Regular mail may not be used.

How to Complete Form 497

- Enter the committee's name, street address, city, state, zip code, and identification number.
- · Indicate the date of filing this report.
- Assign a unique number to each late contribution report, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.
- If this is an amendment to a report previously filed, assign a new unique identifying number as the Report Number, check the "Amendment" box, and indicate the number of the report being amended.
- · For late contributions received, provide:
 - The date received;
 - The contributor's full name and mailing address, the appropriate contributor code, and, if the contributor is an individual, his or her occupation and employer, or, if self-employed, enter the name of his or her business; and

 The amount of the contribution and check the box if it was a loan.

The contributor code should accurately reflect the type of contributor from whom the committee received the contribution. For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, "other" such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Form 497
Page 2
Late
Contributions
Made

	·						LATE CONTRIBUTION REA	
Alle of Fe ER Committee to Elect Waters Mayor			LARGE OF TOTAL PRINCE		Dare Stamp		FORM 497	
555/333-5432 1001234				432 1001234 Report No1				
10 Parkway	Plaza	STATE	2.0 C 30F	Amendment to Report No.				
Piaya del Sc	k	CA	95888	No. of Pages1				
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10/27/XX	Stamos for Sena 1742 20th Aven Playa del Sol, C 10 #1002244	iue		Renaldo Stamos State Senate, Dist. 4	1	\$1,000	11/7/XX	

- For late contributions made, provide:
 - The date made;
 - The recipient's full name and mailing address;
 - Office sought or held (if to a candidate);
 - Ballot measure number or letter and jurisdiction (if to a ballot measure committee); and
 - The amount of the contribution.

Amendments

To amend a previously filed late contribution report, file a new Form 497 with the corrected information and the "Amendment" box checked. Or, disclose the required information on a piece of paper identified as an amendment. The "Report Number" of the report being amended should be included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

Q. Must a candidate file a late contribution report if, during the last 16 days before the election, she transfers campaign funds from one campaign committee

- established for a prior office to another campaign committee established for the office for which she is seeking election?
- A. No. Transfers between or among a candidate's own campaign committees for seeking elective office would be reported as miscellaneous increases to cash, not as contributions.
- Q. Must a candidate file a late contribution report if, during the last 16 days before the election, he transfers campaign funds from a ballot measure committee he controls to his campaign committee?
- A. Yes. Both committees must file late contribution reports.
- Q. Our committee will receive more than one nonmonetary late contribution from the same source during the final 16 days before the election. Rather than file several reports, may our committee file one late contribution report estimating the value of all nonmonetary contributions anticipated to be received from this source during the late contribution reporting period?
- A. Yes. The committee may make a good faith estimate of the value that will be contributed during the period. File the late contribution report within 48 hours of

the first \$1,000 in nonmonetary contributions received. If the actual value differs from the estimated amount by 20 percent or more, amend the estimated report within 24 hours from the time you determine the correct amount.

- Q. Is a late contribution report required when a contributor forgives a loan during the late contribution reporting period?
- A. Yes. A loan of \$1,000 or more which is forgiven during the late contribution reporting period triggers a late contribution report.
- Q. A candidate has two committees; one for a past election and one for the current election. If the committee for the past election receives \$1,000 or more from a single source in the late contribution period in connection with the current committee's election, does it file a late contribution report?

A. Yes.

Paid Spokesperson Report (Form 511)

A Paid Spokesperson Report (Form 511) is filed by a committee that makes expenditures totaling \$5,000 or more for an individual's appearance in a printed, televised, or radio advertisement, or in a telephone message, to support or oppose the qualification, passage, or defeat of a state or local ballot measure. (The advertisement itself must also disclose that the individual is paid.)

Example In support of a local ballot measure, your committee hires a public relations firm to produce a television advertisement. A local celebrity is paid \$5,000 or more to appear in the ad. Your committee is required to file the Form 511. In addition, the ad must state that the individual was paid to appear.

Form 511 must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Payments made to spokespersons also must be reported on the committee's next campaign statement (Form 450/460).

When to File

File the Form 511 within 10 days of making or promising payments totaling \$5,000 or more to the individual that will appear in the advertisement(s).

Where to File

File the Form 511 in the same locations the committee files its campaign statements.

Form 511

ME OF FILER			100		For Catalial Use-Cody
Committee to Fiect Waters Mayor		1001234			
		Brogers@jus	net	☐ Amendment (explain)	
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r Playa del Sc	ol	1ATE	ZIP CODE 95868		****
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How to Complete Form 511

Filer Information

Provide the committee's full name, street address, city, state, zip code, and telephone number. Also, list the committee's identification number, as provided by the Secretary of State.

Payments Made

In the first column, provide the date the payments were made, or the services were received, whichever is earlier. In the second column, indicate the name and address of the individual who was paid \$5,000 or more to appear in the advertisement. In the third column, provide the name, number or letter, and jurisdiction of the ballot measure supported or opposed by the advertisement. Finally, in the last column, indicate the total amount of the expenditure.

Verification

The Form 511 is not considered filed if it is not signed.

Amendments

To amend a previously filed Form 511, file another Form 511. Check the "Amendment" box and give a brief description of the amendment. Enter the committee's name and address, and disclose the amended information. Like the original, the amendment must be signed and dated. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. The amendment is filed in the same location(s) the original was filed.

Special Odd-Year Report

During an odd-numbered year, a special odd-year report must be filed if the committee makes contributions totaling \$10,000 or more to elected state officers, their controlled committees, or committees primarily formed to support or oppose any elected state officer during the first and third quarters of the year.

The special odd-year report is filed with the committee's regular filing officer(s) on its regular campaign disclosure form(s) (Forms 450 or 460).

Period Covered	Filing Deadline
January 1 through March 31	April 30
July 1 through September 30	October 31

Example Between July 1 and September 30 of an odd-numbered year, your committee contributes \$20,000 to the Governor's committee. Your committee is required to file a report covering the period July 1 through September 30, by October 31.

What to Report

The form is completed in the same manner as a regular preelection or semi-annual statement (see Chapter 6) and includes all of the committee's activity during the reporting period, not just contributions to elected state officers.

County Supervisor Dominic
Mesanovic is not on the ballot in
2007. During 2007, he makes four
contributions on March 5 to four different
assembly officeholders of \$3,000 each.
Dominic's committee will file a special oddyear report on a Form 460 covering the
period January 1 through March 31. The
report is due no later than April 30
Dominic's special odd-year report is filed with
his regular filing officers. His next statement,
the semi-annual, will cover April 1 through
June 30, and is due no later than July 31.

Answering Your Questions

- Q. Are special odd-year reports filed for the second and fourth quarters of an oddnumbered year as well as for the first and third?
- A. No. Semi-annual reports cover the second and fourth quarters.

- Q. Is there a special form for filing a special odd-year report?
- A. No. Use the same forms you would ordinarily use to file preelection and semi-annual reports (Form 450 or 460).

Communications Identifying State Candidates (Form E-530)

A committee that spends \$50,000 or more for a communication disseminated during the 45 days before an election that clearly identifies a state candidate appearing on the ballot, but does not expressly advocate the election or defeat of that candidate, must file electronically with the Secretary of State the Form E-530 within 48 hours of making a payment, or promising to make a payment, of \$50,000 or more. (Contact the Secretary of State's office at (916) 653-6224 for information on electronic filing or go to www.sos.ca.gov.) The report must disclose the amount and date of the payment(s), and the name of and office sought by the candidate(s) identified in the communication. In addition, if \$5,000 or more was received or promised from a single source to pay for the communication, the name, address, occupation, and employer (if applicable) of the contributor, as well as the date and amount received or promised, must be reported.

Form E-530 must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Payments disclosed on Form E-530 also must be disclosed on the committee's next campaign statement (Form 450 or 460).

The report must be verified by a written "electronic filing declaration" signed, dated, and verified on the same date the report is transmitted to the Secretary of State. This declaration must be retained in the committee's records for five years following the date that the campaign report to which it

relates is filed. The statement must include the following language:

"I have used all reasonable diligence in preparing this report and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct."

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

81004.5	Reports and Statements;
	Amendments.
82025	Expenditure.
82036	Late Contribution
82036.5	Late Independent Expenditure.
82044	Payment.
84200.3	Odd-Year Reports in Connection
	with a Statewide Direct Primary
	Election Held in March of an Even-
	Numbered Year.
84200.6	Special Campaign Statements and
	Reports.
84202.5	Supplemental Preelection
	Statement.
84202.7	Time for Filing by Committees of
	Odd-Numbered Year Reports.
84203	Late Contribution; Reports.
84203.3	Late In-Kind Contributions.
84203.5	Supplemental Independent
	Expenditure Report.
84204	Late Independent Expenditures;
	Reports.

Ballot Measure Ads; Paid Spokesperson Disclosure.

Prohibition on Independent Expenditures by Candidate Controlled Committees.

Communications Identifying State

Title 2 Regulations

1 8116	Reports and Statements.
18402.5	Supplemental Pre-Election
	Statements.
18421.1	Disclosure of the Making and
	Receipt of Contributions.
18425	Late Contributions; Reports.
18450.11	Spokesperson Disclosure.
18531.10	Communications Identifying State
	Candidates.
18539.2	Reporting Payments Pursuant to
	Government Code Section 85310.

Candidates.

84511

85310

85501

Chapter 8 After the Election

After the election, a candidate's future filing obligations usually are determined by whether he or she won or lost. A primarily formed committee will often choose to close its committee. However, the law does not require any local candidate or committee to terminate. This chapter addresses the reporting requirements for successful candidates, defeated candidates, primarily formed committees, and the guidelines for terminating a campaign committee.

Successful Candidates – Future Filing Obligations for Non-Election Years

Filed Form 470 During Campaign

A candidate who filed the campaign statement short form, Form 470, in connection with an election may continue to file Form 470 as an officeholder, provided \$1,000 or more is not raised or spent during any calendar year. The Form 470 is due by July 31 of each year.

Judges and Unpaid Elected Officeholders

During non-election years, judges, unpaid elected officeholders (officeholders whose salaries from their elected positions are less than \$200 a month), and their controlled committees are not required to file Form 460 or 470 during any six-month period in which they do not receive contributions or make expenditures. (See Chapter 5.)

Filed Form 460 and Committee Stays Open

After the election, a successful candidate has the option of maintaining his or her committee and campaign bank account, or terminating the campaign committee and closing the bank account. An officeholder who maintains a committee may:

· Continue to receive contributions;

- Use campaign funds to offset officeholder expenses; or
- Hold funds for use in a future election.
 (See Chapter 1 for information on redesignating an account and committee for a future election.)

During non-election years, Form 460 is filed on a semi-annual basis as long as the committee remains open. In addition, other special reports may be required.

(Refer to Chapter 9 for a discussion on the permissible uses of campaign funds. Also, local candidates should check with their city or county for restrictions under any locally-adopted campaign rules.)

Closing the Committee

If no funds are left in the campaign account and the candidate will not raise additional funds, the account and campaign committee should be closed. (Form 460 must be filed indicating a zero cash balance and Form 410 to terminate the committee.)

If the committee is terminated before the end of a calendar year, the candidate must continue to file the Form 460 for the remainder of that calendar year. However, the Form 460 may be filed as both a termination statement and a semi-annual statement. The Form 470 may be filed in future years while in office.

At the end of November, after winning her election, Arlene decides to terminate her committee. To do so, she must file a termination Form 410 and a termination Form 460 showing that the committee has no cash left. On the Form 460 Cover Page, Type of Statement section, she will mark both the termination and semi-annual boxes and enter December 31 as the

closing date of the statement. Unless there is additional activity, Arlene is not required to file a semi-annual report on January 31, and may file Form 470 on July 31.

\$5,000 or more in a calendar year in connection with one or more such events, the co-sponsoring elected official must file a special report disclosing the payment(s).

REPORT OF PAYMENT FOR LEGISLATIVE, GOVERNMENTAL, OR CHARITABLE PURPOSES

Pursuant to Government Code Section 82015, the following is a notice that a payment or payments aggregating \$5,000 or more has been made principally for legislative, governmental, or charitable purposes in coordination with or at the request of the official listed below.

Name of Official	Marshall Travers
Agency Address	City Hall 234 First Street, Oakmont, CA 95443
Date(s) of Payment(s)	June 24, 20XX
Name of Payor	Wildwood Insurance Company
Address of Payor	1253 Main Street, Oakmont, CA 95433
Amount(s) of Payment(s)	\$5,000
Name of Payee	Boys and Girls Club of California
Address of Payee	555 10th Street, Sacramento, CA 95814
Description of Goods Or Services Provided	Charitable Donation
Specific Legislative, Governmental, or Charitable Purpose	Charitable Fundraiser
Date: 7/1/XX	[Signature Required] Signature of Elected Official

The report is required to be filed with the elected official's agency within 30 days following the date of the payment and is a public record. The report then must be forwarded to the filing officer who receives the elected official's campaign statements.

The report also must be filed by an elected official if an individual or entity donates \$5,000 or more in a calendar year to charitable organizations or events at the request of the elected official.

There is no specific form for reporting co-sponsored payments. The report must contain all of the information shown in the example above.

Co-Sponsored Payment Reports

Elected officials often co-sponsor charitable, governmental, or legislative events with outside sources. Examples might include a job fair or a conference on health or educational issues co-sponsored by an elected official and business or non-profit entities.

Payments made by outside sources in connection with these events generally are not considered gifts or contributions to the elected official who is co-sponsoring the event, although meals, lodging, and travel payments received by an official in connection with a co-sponsored event may be reportable gifts. If an outside source pays

Example At the mayor's request, a catering establishment donated refreshments for a city sponsored job faire. The cost exceeded \$5,000. The mayor must file a report with the city clerk.

Defeated Candidates – Future Filing Obligations

Form 470 Filers

A candidate who filed the campaign statement short form, Form 470, has no further reporting obligations after the election as long as less than \$1,000 was raised or spent during the calendar year.

Form 460 Filers

There is no deadline for terminating the committee or disposing of remaining funds. Form 460 continues to be filed on a semi-annual basis as long as the committee remains open. In addition, other special reports may be required. (See Chapter 7.)

To use money remaining in the campaign bank account for a future election to the same office, a candidate must file a new Candidate Intention Statement, Form 501 and amend the Statement of Organization, Form 410. To use the funds for election to a different office, the candidate must file a new Form 501, open a new campaign bank account, and file a new Form 410 for the future election. In either event, this must be done no later than the closing date for the post-election filing period or the date of leaving office (defeated incumbents), whichever occurs last, or the funds will become "surplus" campaign funds and be subject to restrictions. (See Chapter 9.)

Example John Davis lost the city council election in June. John has \$3,500 remaining in his campaign bank account and is considering seeking another city council position in two years. In order to use the remaining \$3,500 for the future election, John must file a new Candidate Intention Statement. Form 501, and redesignate the bank account to a future election by amending his Statement of Organization, Form 410, to indicate the new office sought and year of election. This must be done no later than June 30, which is the end of the post-election reporting period for an election held during the first six months of the year.

Primarily Formed Committees – Future Filing Obligations

Generally, a committee established primarily to support or oppose a particular candidate(s)

will terminate after the election. However, the committee may remain open to:

- · Raise funds to pay debts.
- Support or oppose other candidates or measures. The committee will need to amend its Statement of Organization (Form 410) to reflect the change in committee type.

Example After the election, the committee primarily formed to support candidate Jones decides to support candidate Lopez in the next election. In order to do so, it will amend its Statement of Organization.

Form 460, 450, or 425 must be filed on a semi-annual basis as long as the committee remains open. Preelection statements and other special reports may be required depending on the committee's activities.

Termination

There is no deadline for terminating a committee controlled by a local candidate or officeholder unless the controlling candidate/ officeholder becomes a state officeholder (in which case, refer to FPPC's Information Manual for State Candidates (Manual 1) for termination requirements). Primarily formed committees also do not have a deadline to terminate. However, the committee, by its nature, may need to change its committee status if it remains open after the election.

A committee may terminate only if the committee:

- Has ceased receiving contributions or making expenditures and does not anticipate receiving contributions or making expenditures in the future;
- · Has no remaining campaign funds;
- Has filed all required campaign statements, disclosing all reportable transactions, including the disposition of leftover funds; and

 Has eliminated all debts, or has no intention or ability to discharge debts.

Use the Form 410 to terminate the committee. Check the "Termination" box, and report the committee's identification number and the date of termination; the date of termination generally is the date all funds have been expended. In addition, identify the name of the committee and have the treasurer or assistant treasurer sign the verification. If this is a controlled committee, the controlling officeholder(s)/candidate(s) also signs the verification.

Form 450 or 460 also must be filed showing that all funds have been expended and the committee has no cash on hand. Check the "Termination" box on the cover page.

File the original and a copy of the Form 410 with the Secretary of State and a copy with the committee's local filing official. File the Form 450 or 460 in the committee's regular filing locations. (See Chapter 5.)

Answering Your Questions

- Q. May I terminate my committee even if I have outstanding debt owing to creditors?
- A. Yes. When you file your termination statements showing outstanding debt, you are declaring that you do not have the ability to discharge debts, loans, or other obligations. However, if you plan to raise additional funds, or pay the outstanding debt with personal funds, you may not terminate.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 82015 Contribution.
- 84103 Statement of Organization; Amendment.
- 84200 Semi-Annual Statements.
- 84206 Candidates Who Receive or Spend Less than \$1,000.
- 84214 Termination.

Title 2 Regulations

- 18215 Contribution.
- 18404 Termination of Candidate's and Committees' Filing Requirements.
- 18406 Short Form for Candidates or Officeholders Who Receive and Spend Less than \$1,000 in a Calendar Year.
- 18426 Semi-Annual Statement Early Filing.

Chapter 9 Restrictions

Although the Political Reform Act is primarily a disclosure law, there are several important restrictions and prohibitions on receiving contributions and spending campaign funds. This chapter reviews these restrictions and prohibitions, as well as some that are contained in laws other than the Political Reform Act.

In addition, while the receipt of campaign contributions generally will not create a conflict of interest for an elected officeholder in the performance of his or her elected duties, contributions may be the source of a conflict of interest for officeholders or candidates who are also appointed to boards or commissions. The section on "Disqualification and Campaign Contributions" covers this area of the law.

Restrictions on Contributions

Laundered Funds

If a contribution of \$100 or more is received from a single source in a calendar year, the source must be identified on the committee's Form 460. If a contribution is received through an intermediary, both the intermediary and the true source of the contribution must be identified. If the information for both the true source and the intermediary are not provided, this is considered laundering, a serious violation of the Political Reform Act. Any laundered contributions must be paid to the Secretary of State for deposit in the state general fund. If required under local rules, the funds may be deposited in the general fund of the local jurisdiction.

Example Barry owns a music store and supports Julie's campaign for city council. Since Barry was going to be out of town when Julie was holding a fundraiser, he asked an employee of his to attend on

behalf of the store. The employee attended the fundraiser using a personal check to pay \$100. Upon his return, Barry reimbursed the employee the \$100. At the time the employee made the contribution to the campaign, he informed them that Barry's music store was the true source of the funds. Julie's campaign report must itemize both Barry's store and the employee. The name of Barry's store and its address, along with the employee's name, address, occupation, and employer are reported.

Barry's employee attended another fundraiser for Julie, but this time Barry wrote a company check to the campaign, which the employee used to attend the fundraiser. In this case, Julie's campaign report must only report Barry's store as the source of the contribution; the employee is not an intermediary.

Cash

The committee may not accept a cash contribution of \$100 or more. Such a contribution may be returned to the contributor prior to the end of the reporting period, provided the cash was not previously deposited or spent. A cash contribution that is inadvertently deposited into the campaign bank account must be refunded within 72 hours of receipt, except a cash contribution of \$1,000 or more from a single source made during the late contribution reporting period (the last 16 days before the election) must be returned to the contributor within 48 hours of receipt.

Anonymous

Anonymous contributions of \$100 or more are prohibited. If the committee receives a cash contribution of \$100 or more from an unknown source, it must be sent to the Secretary of State for deposit in the state's General Fund.

Commingling

Campaign funds may not be commingled with an individual's personal funds and may not be used for personal expenses.

Campaign funds must be kept in an account separate from any account which contains personal funds.

Money Orders/Cashier's Checks/ Traveler's Cheques

All monetary contributions of \$100 or more must be made by written instrument (such as a check) containing the name of the donor and drawn from the account of the donor or the intermediary. Contributions of \$100 or more made by money order, cashier's check, or traveler's cheque are prohibited and must be returned to the contributor, or, if made anonymously, sent to the Secretary of State for deposit in the state's general fund.

Legal Name

Contributions must be made in the name by which the contributor is identified for legal purposes.

Delivered in State Office Buildings

A contribution may not be received, or delivered to another person, personally or through an agent, in the State Capitol or any other state office building for which the State of California pays the majority of the rent.

This prohibition does not apply to contributions received or delivered in a legislative district office or through the mail.

From Foreign Nationals, National Banks, and National Corporations

Committees may not receive contributions from foreign nationals, national banks, or national corporations. The Federal Election Campaign Act (2 U.S.C. Section 441b) prohibits contributions from national banks and national corporations (corporations established by an Act of Congress) in connection with any local, state, or federal election to political office.

For further information, the Federal Election Commission may be contacted at (800) 424-9530 (www.fec.gov).

From State Lobbyists

State lobbyists may not contribute to a state officeholder or candidate's campaign if the lobbyist is registered to lobby the agency of the elected officer or the agency to which the candidate is seeking election. The lobbyist also may not contribute to a local committee controlled by a state candidate.

Misuse of Public Resources

The Political Reform Act prohibits public financing of campaigns, except for elections in charter cities and counties.

In addition, laws outside the Act prohibit the use of public resources, such as office equipment, staff time, etc., for campaign or personal purposes. (Gov. Code Section 8314; Penal Code Section 426.)

Government Code Section 54964 prohibits an officer, employee or consultant of a local agency from expending or authorizing the expenditure of any local agency funds to support or oppose a ballot measure or a candidate.

For further information on laws outside the Act, contact the Attorney General's office at (800) 952-5225 or your district attorney.

Soliciting Contributions from Public Employees

Government Code Section 3205 prohibits a local candidate from knowingly, directly or indirectly, soliciting a political contribution from any employees of his or her agency or from a person on an employment list of that agency. There is an exception for solicitations that are made to a significant segment of the public. For further information, contact the Attorney General's office at (800) 952-5225 or your district attorney.

Use of Campaign Funds and Surplus Campaign Funds

To ensure that campaign funds are not used for personal benefit, the expenditure of campaign funds must be reasonably related to a political, legislative, or governmental purpose. An expenditure must be directly related to a political, legislative, or governmental purpose if it confers a substantial personal benefit on the candidate or elected officer, a member of their household, or any individual authorized to approve campaign expenditures.

Example Kathi Sonenfeld for Supervisor Committee buys pizzas for its volunteers every Thursday when a group gathers to stuff envelopes for the campaign. This is allowed, since there is a political purpose for this expenditure.

Kathi has decided to enter a Master's degree program at her local college. While the program may enhance her qualifications as a candidate, she may not use campaign funds for this purpose; a Master's degree would confer a personal benefit to her that is not considered directly related to a political, legislative, or governmental purpose.

After an election, a successful candidate may use left over campaign funds for officeholder expenses or for a future election. Campaign funds held by officeholders who leave office or by defeated candidates are subject to the "surplus funds" restrictions discussed below. Equipment and other non-cash assets held by a candidate or committee may not be used for personal purposes.

Example Following the election, unsuccessful candidate Robin Welles decides to give the committee's computer to his son. Because the computer was purchased with campaign funds, Welles must purchase the computer from the

committee, at fair market value, in order to do this.

Election Night Celebrations

Costs associated with election night celebrations or similar campaign events may be paid by the committee.

Attorneys' Fees

Generally, attorneys' fees and other costs related to administrative, civil, or criminal litigation may not be paid with campaign funds. However, there are exceptions. Some expenses that may be paid with campaign funds include:

- · Action to halt defamation;
- Defense of an action to halt defamation:
- Defense of an action for violation of state or local campaign, disclosure, or election laws;
- Litigation to secure a place on the ballot or challenge the wording of the ballot pamphlet;
- Contested election;
- Election recount; and
- Compliance expenses (for example, completing campaign disclosure reports).

Reimbursements

If a bank account is required (see Chapter 4), the candidate must deposit personal funds in the campaign bank account and make expenditures from that account instead of spending personal funds for the campaign and later seeking reimbursement from campaign funds. However, any other individual may make expenses from personal funds and be reimbursed, as long as the expenses are incurred for political, legislative, or governmental purposes and repayment is made within 45 days. In addition, an officeholder may use personal funds and be reimbursed for "officeholder" expenses. (See Chapter 6 for specific

reporting rules and deadlines for reimbursements.)

The candidate's spouse buys a roll of stamps for the campaign at the post office using a personal check. In addition, he frequently buys bagels for the morning shift of volunteer workers. After providing the treasurer with a receipt for the stamps and bagels, the treasurer may reimburse the spouse for his expenses.

Automobile Expenses

Lease or Purchase: When making payments associated with leasing, purchasing, or operating a vehicle, such as insurance, maintenance, and repairs, the campaign committee must be the lessee or hold title to the vehicle. Additional titleholders may not be the candidate, officeholder, treasurer, or any other person who may approve campaign expenditures, or a member of any such person's immediate family (spouse or registered domestic partner and dependent children). Additional lessees may not be the candidate, officeholder, treasurer, or a member of any of these persons' immediate family.

Reimbursed Automobile Expenses: An officeholder, candidate, or immediate family member, committee staff, and staff of an elected officer's governmental agency may be reimbursed by the committee for use of a personal vehicle if the use is directly related to a political, legislative, or governmental purpose. Documentation should be kept which includes the trip's purpose and mileage in a manner approved by the Internal Revenue Service for deducting mileage expenses. The rate for reimbursement may not exceed that allowed under Internal Revenue Code Section 162. For more details, the Internal Revenue Service may be contacted at (800) 829-1040 (www.irs.ustreas.gov).

Clothing

Clothing is a personal expense. The committee may NOT pay for a candidate's business or casual clothing. Specialty clothing, such as formal wear worn by an officeholder or candidate, may be purchased with campaign funds if the use of such clothing is directly related to a political, legislative, or governmental purpose.

Example A candidate has been asked to attend a formal event honoring the mayor. Since he does not own a tuxedo, he may rent one with campaign funds.

Contributions to Other Candidates and Committees

Candidates may make contributions to other candidates and committees unless prohibited by local rules. Contributions to certain state committees are subject to limitations.

Donations

Campaign funds may be used to make donations or loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organizations. The donation or loan must be reasonably related to a political, legislative, or governmental purpose. In addition, the donation may not personally benefit the officeholder, candidate, committee treasurer, or any individual with authority to approve the expenditures of campaign funds, or any such person's immediate family member (spouse or registered domestic partner and dependent children).

Examples A controlled committee wants to contribute to a homeless shelter. However, since the candidate's husband draws a salary from the shelter and it is determined that a substantial part of the proceeds would benefit him, this expenditure by the committee is not allowed.

A fundraiser is held to raise funds for a veteran's memorial at the local civic center. The committee is permitted to contribute because the payment has a political, legislative, or governmental purpose.

Equipment and Appliances

Campaign funds may be used to buy, lease, or refurbish equipment or appliances, but only if their use is directly related to a political, legislative, or governmental purpose. As with restrictions on vehicles, the committee must hold title, or be the lessee, on the equipment; no individual may be listed as owner or lessee.

Example When the printer breaks down, the treasurer goes out and buys a new one. While shopping, the treasurer finds a great buy on a big screen TV. While the printer is a permissible expense, since it will be used to communicate with the voters. the television does not serve a directly-related political, legislative, or governmental purpose and, therefore, may not be paid for with campaign funds.

Food

A campaign may pay for a meal when the expenditure is \$200 or less as long as the expense is reasonably related to a political, legislative, or governmental purpose. However, if the aggregate cost of the meal is more than \$200, the expense must be directly related to one of these purposes.

Example An officeholder attends a dinner sponsored by the police department to honor a local good Samaritan. Since the expenditure is directly related to a governmental purpose, the campaign may pay for her attendance, even though the total cost is over \$200.

Fines, Penalties, Judgments, and Settlements

Only the following fines, penalties, judgments, and settlements may be paid with campaign funds:

- Parking citations received while performing political, legislative, or governmental activities.
- Fines assessed in relation to situations in which the use of campaign funds to pay for an attorney is allowed (discussed above).
- Fines imposed for late filing of campaign statements and Statements of Economic Interests (Form 700).

Example Your treasurer was two days late in filing the committee's first preelection statement and the filing officer fined the committee \$20. The committee may pay the fine with campaign funds.

Gifts

Unless directly related to a political, legislative, or governmental purpose, personal gifts may not be paid for from campaign funds. However, as long as no one individual receives a total of \$250 or more in a calendar year, gifts to campaign employees or workers are permitted because they are considered directly related to a political, legislative, or governmental purpose. If the campaign pays for a gift to a member of the immediate family (spouse or registered domestic partner and dependent children) of a campaign employee or worker, it should be considered a gift to the employee or worker when calculating whether the \$250 per person limit has been met.

Health-Related Expenses

A committee may pay for health care benefits for its employees or independent contractors. However, no other health-related expenses

may be paid with campaign funds; a committee may not pay for the candidate's health club dues, special dietary foods, or medical check-ups.

Independent Expenditures

Candidates are prohibited from using campaign funds to make independent expenditures to support or oppose other candidates, or to make contributions to other committees for the purpose of making independent expenditures to support or oppose other candidates.

Loans

Campaign funds may be loaned to other political committees. (Loans to state candidate committees are subject to limits. Transfers from a local candidate's committee to his or her state committee must be attributed to the original contributors. See the information manual for state candidates for more information on transfers and attribution.) In addition, campaign funds may be used to make loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organizations. However, the loan may not personally benefit the officeholder, candidate, committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or any such person's immediate family member. The loan must be reasonably related to a political, legislative, or governmental purpose. Campaign funds may not be loaned to an individual or to an entity other than those described above.

Professional Services

When the committee reasonably requires the services of professionals, such as an accountant or attorney, their fees may be paid with campaign funds. (See below for restrictions on salary and compensation paid to a candidate or officeholder.)

Real Property

The committee may not purchase real property. It may, however, lease property for up to one year, as long as its use is directly related to a political, legislative, or governmental purpose. Neither the candidate or officeholder, committee treasurer, any individual with authority to approve the committee's expenditures, or an immediate family member of any of these persons may be a lessee or sublessor, or hold legal title to the leased property.

Refunding Contributions

The return of contributions to contributors is permitted.

Returning Contributions Lacking Contributor Information

When a contribution of \$100 or more in a calendar year is received from a single contributor, the committee must report the contributor's name and address, and, if the contributor is an individual, his or her occupation and employer. If the committee does not have this information in its records within 60 days of receipt of the contribution, it must be returned.

Salary and Compensation

The candidate or officeholder, or any individual authorized to approve the committee's expenditures, may not receive a salary or other compensation from the committee for the performance of political, legislative, or governmental activities. The committee may pay for professional services such as an accountant, however, even if the accountant has authority to sign committee checks.

Example Paula Greene, a member of Supervisor Howard's staff, also is the treasurer of the Supervisor's campaign committee. Ms. Greene does all recordkeeping for the committee and completes the committee's campaign

reports. She also has authority to approve committee expenditures. Campaign funds may be used to pay Ms. Greene for services she provides as committee treasurer. Funds may not be used to supplement or pay her government salary.

Security Systems

A candidate may use campaign funds to purchase an electronic security system. To do so, the candidate must have received threats to his or her physical safety because of his or her status as a candidate or elected official and the incidents must be verified by an appropriate law enforcement agency. No more than \$5,000 may be spent and a report to the FPPC is required.

Tickets for Entertainment and Sporting Events

The committee may purchase entertainment and sporting event tickets for use by the candidate or officeholder, or officer, director, employee, or staff of the committee, as long as attendance is directly related to a political, legislative, or governmental purpose.

Example Candidates for the office of mayor have been offered the chance to speak during half-time at the local college football game. Campaign funds may be used to purchase tickets for the candidates and committee staff to attend, but only because they will be speaking.

Tickets to Political Fundraisers

A committee may purchase tickets to political fundraisers (subject to any applicable contribution limits) for the candidate or officeholder, or officer, director, employee, or staff of the committee.

Travel

A committee that pays for travel or accommodations for the candidate or officeholder, any individual with authority to approve the committee's expenditures, or employees or staff of the committee must comply with the standards set by Internal Revenue Code Sections 162 and 274 (deduction of travel expenses for tax purposes). The Internal Revenue Service may be contacted at (800) 829-1040 or www.irs.gov for more information.

Airline Mileage Programs

Some airlines have mileage programs that allow individuals to earn free tickets or other awards. These mileage credits and awards belong to the individual traveler, not the committee. The committee is not required to report either the receipt of the mileage credit awards or the redemption of the credits.

Use of Surplus Funds

There are restrictions on how campaign funds held by an elected officeholder or candidate may be spent once the funds become "surplus." Surplus funds may not be used for a future election. See Chapter 1 for information about using campaign funds for a future election before they become surplus.

Campaign funds held by an officeholder become surplus when the officeholder leaves the office for which the funds were raised, or at the end of the semi-annual reporting period following his or her defeat, whichever occurs last. Campaign funds held by a nonincumbent defeated candidate or a candidate who withdraws from an election become surplus at the end of the semiannual reporting period following the election. (The end of the semi-annual reporting period is June 30 for elections held during the first six months of the calendar year, and December 31 for elections held during the last six months of the calendar year.) If a candidate or officeholder dies, campaign funds held by the candidate or officeholder become surplus on the earlier of either June 30 or December 31 following his or her death.

Surplus funds may only be spent in the following manner:

- Payment of outstanding campaign debts or officeholder expenses;
- · Refunds to contributors:
- Donation to a bona fide charitable, educational, civic, religious, or similar taxexempt, non-profit organization, provided no substantial part of the proceeds will have a material financial effect on the candidate, on any member of the candidate's immediate family (spouse or registered domestic partner and children), or the campaign treasurer;
- Contributions to a political party or committee, so long as the funds are not used to make contributions in support of or opposition to a candidate for elective office. (The funds must be used for the party's or committee's overhead expenses.)
- Contributions to support or oppose any candidate for federal office, any candidate for elective office in a state other than California, or any ballot measure;
- Payment for professional services or attorneys' fees for litigation which arises out of campaign or election activities; or
- Payment for an electronic security system.
 Contact the FPPC for information about specific requirements that must be met.

Answering Your Questions

- Q. I am a candidate for a local office. It appears that I won't have any problem winning my seat. I would like to return some of my contributions to my contributors. May I do this?
- A. You may return to each individual contributor up to the total amount they contributed any time during the campaign.
- Q. I am a candidate. I make long-distance

- phone calls on my home phone to request support from organizations statewide. How may I pay for them?
- A. When the bill arrives, calculate the portion that is campaign-related. Have the committee write a check for that portion directly to the phone company; do not pay the bill out of personal funds and get reimbursed.
- Q. Very often, I need to get a babysitter for those evenings that I am out campaigning. May I use campaign funds to pay a babysitter?
- A. You may use campaign funds to pay a babysitter, but only up to \$200 per event.
- Q. As a candidate, I will be using my personal car to get around during the campaign. Is mileage considered a reportable contribution if I do not want to be reimbursed?
- A. No. Incidental use of your personal car for campaign purposes is not considered a contribution and is not reportable.
- Q. May I use campaign funds to have an additional telephone line put in my home?
- A. Yes, as long as the additional phone line is used for campaign purposes only. If, after the campaign, you choose to retain the additional phone line for personal purposes, you must pay the campaign what it would cost to install an additional line at that time.
- Q. Is it permissible to use campaign funds to pay an independent contractor (e.g., the campaign consultant) additional money if I win my election?
- A. Yes, under the Act you may use campaign funds to pay a contractor for fees that are part of the written contract.
- Q. May I host a victory party or give bonuses to my campaign workers?

- A. Yes. In most cases, the bonuses would be considered gifts and would be limited to \$250 per calendar year.
- Q. I lost my election and have funds remaining. May I use my excess funds to run again in two years?
- A. If you wish to use funds left over from an unsuccessful race for a future election to the same office, file a new Form 501 and amend your existing Form 410 before the end of the post-election reporting period. If you plan to run for a different office, file a new Form 501 and transfer the funds to a new campaign bank account, for which you must file a new Form 410. If you do nothing, the campaign funds will become "surplus" at the end of the post-election reporting period and may not be used to run for office.
- Q. I withdrew my name from the election. When do my funds become "surplus?"
- A. Even though you withdrew your name, you are treated the same as a defeated candidate. Your funds will become "surplus" unless they are redesignated for a future election by the end of the semi-annual reporting period in which the election occurs.

Disqualification and Campaign Contributions

Generally, campaign contributions received in connection with an elective office cannot serve as the basis for disqualifying the official from voting on a matter affecting the contributor. However, if the official holds an appointed position and receives contributions for an elective office, he or she may be subject to the provisions of Government Code Section 84308 which:

 Prohibits soliciting, directing, or receiving campaign contributions in excess of \$250 from parties, participants, or their agents during proceedings regarding licenses,

- permits, or other entitlements for use, or for 90 days after the decision.
- Requires disclosure of all such campaign contributions and also requires an official's disqualification from making decisions in certain proceedings in which the official is acting in an appointed position if more than \$250 in campaign contributions has been received from a party or participant within 12 months preceding the decision.

Example Three city councilmembers and two county supervisors serve on the Local Agency Formation Commission. Since the councilmembers and supervisors were appointed to the commission, they may not vote on a LAFCO issue if they have received a contribution in the last 12 months of more than \$250 from someone who is a party, participant, or agent in the proceeding.

Who is Covered?

Generally, appointed board members, commissioners, or individuals who head state or local government agencies and who make decisions in proceedings involving licenses, permits, or other entitlements for use are subject to Section 84308. Common positions include:

- Planning Commissioners
- Local Agency Formation Commission (LAFCO) members
- Members of redevelopment agencies which are not entirely comprised of elected members of the same agency
- Transportation Authority members
- Air Quality Management District members
- Waste Management Authority members
- California Coastal Commissioners

Example Sarah Fisher is a candidate for the Williamson City Council.

She also is an appointed member of the Williamson Planning Commission.

Christopher Bradley has a permit request pending before the planning commission. Under Section 84308. Sarah is prohibited from soliciting or receiving any contribution of more than \$250 from Christopher or Christopher's agent.

Sarah Fisher was elected to the Williamson City Council and resigned her position on the Williamson Planning Commission. Since she is now serving solely in an elected position, she is not required to disqualify herself from making decisions on the Williamson City Council by virtue of receiving contributions of more than \$250 from any person.

Exempted Agencies

Section 84308 does not apply to the following agencies:

- Judicial branch
- Legislature
- Board of Equalization (Gov. Code Section 15626 applies)
- Constitutional officers
- Local agencies whose members are elected by the voters (e.g., board of supervisors, city council, or school board)
- Committees of an agency that are comprised solely of elected members of the same agency (e.g., city councilmembers who serve on the city's budget and finance committee)
- Elected members of an agency, all of whom also serve as the governing body of another agency (i.e., city councilmembers who also serve on the city's redevelopment agency board)

Section 84308 specifically prohibits officers from soliciting, accepting, or directing campaign contributions of more than \$250 from any party, participant, or agent of a party or participant while a proceeding is pending before the officer's agency and for 90 days following the decision. This

prohibition applies even when the contribution is for another candidate.

Example Sunny Shine, a planning commissioner, serves as the treasurer for Councilmember Claude E. Sky's campaign. Sunny may not solicit, accept, or direct a campaign contribution of more than \$250 for Claude's campaign from a party, participant, or agent whose proceeding is pending before the planning commission.

The FPPC's fact sheet entitled "Campaign Contributions May Cause Conflicts for Appointees and Commissioners" may be consulted for further information concerning Section 84308.

Authority

82025

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections Expenditure.

	,
82044	Payment.
84300	Cash and In-Kind Contributions;
	Cash Expenditures.
84301	Contributions Made Under Legal
	Name.
84302	Contributions by Intermediary or
	Agent.
84304	Anonymous Contributions.
84307	Commingling with Personal Funds.
84308	Contributions to Officers;
	Disqualification.
84309	Transmittal of Campaign
	Contributions in State Office
	Buildings.
85201	Campaign Bank Account.
85501	Prohibition on Independent
	Expenditures by Candidate
	Controlled Committees.
85700	Donor Information Requirements;
	Return of Contributions.
85701	Disgorgement of Laundered
	Contributions.

85702 Contributions from Lobbyists. 85704 Prohibition on Earmarking. 89510 Acceptable Contributions. Campaign Funds Held by 89511 Candidates and Committees. 89511.5 Use of Personal Funds for Incumbent Elected Officers. 89512 Expenditures Associated with Seeking or Holding Office. Use of Campaign Funds for 89513 Specific Activities. 89514 Use of Campaign Funds for Attorney's Fees. 89515 Use of Campaign Funds for Donations and Loans. 89516 Use of Campaign Funds for Vehicle Expenses. 89517 Use of Campaign Funds for Real Property, Appliances or Equipment. 89517.5 Use of Campaign Funds for Security System. 89518 Use of Campaign Funds for Compensation. 89519 Use of Surplus Campaign Funds. Title 2 Regulations 18432.5 Intermediary. 18438.1 Officers and Agencies Under Government Code Section 84308. 18438.5 Aggregated Contributions Under Government Code Section 84308. 18438.6 Solicitation, Direction, and Receipt of Contributions Under Government Code Section 84308. 18438.7 Prohibitions and Disqualification Under Government Code Section 84308. 18438.8 Disclosure Under Government Code Section 84308. 18439 Definition of "Personally Deliver." 18526 Reimbursement of Expenditures. 18570 Return of Contributions with Insufficient Donor Information. 18572 Lobbyist Contributions - Making a Contribution Defined.

18951 189**60**

18961

Surplus Funds.

Incidental Use.

Direct Personal Benefit Defined.

Appendix 1 Definitions

Candidate

(Sections 82007; 84214)

An individual becomes a candidate in California under the following circumstances:

- The individual's name is listed on a primary, general, special, or recall election ballot; or
- The individual is qualified to have election officials count write-in votes on his or her behalf for nomination or election to any state or local elective office.

An individual who receives a contribution or makes an expenditure (or gives consent for any other person to receive a contribution or make an expenditure) for his or her nomination or election to any state or local elective office also is a candidate under the Political Reform Act, even if:

- The specific elective office the individual will seek is not known when the contribution is received or the expenditure is made. (However, Section 85200 requires the candidate to provide this information (Form 501) prior to receiving any contributions or making any expenditures.)
- The individual has not announced his or her candidacy.
- A declaration of candidacy has not been filed.

An elected officeholder also is considered to be a candidate under the Act.

Individuals running for federal office, such as United States President, Senator, or Representative, are not candidates under the Act.

An individual retains his or her status as a candidate (even if defeated in an election) until all campaign activity requiring disclosure has ended. A controlled committee must file

a Statement of Organization, Form 410, with the "Termination" box checked.

Contribution

(Section 82015; Regulations 18215 and 18225.7)

A contribution is a payment, including a loan, a forgiveness of a loan, a third party payment on a loan, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. A payment made at the behest of an officeholder, candidate, or committee is a contribution to the officeholder, candidate, or committee unless full and adequate consideration is received for making the payment.

A payment is "made at the behest of" an officeholder, candidate, or committee if it is made under the control or at the direction of the officeholder, candidate, or committee. It is also made at the behest if it is made in cooperation, consultation, coordination, or concert with, or at the request or suggestion of the officeholder, candidate, controlled committee, official committee of a political party, or organization formed or existing primarily for political purposes.

Election Activities

Payments for the following election-related activities are considered to be related to a candidate's candidacy for office:

- Communications that contain express advocacy for the nomination or election of the candidate or the defeat of his or her opponent.
- Communications that contain reference to the candidate's candidacy, the candidate's election campaign, or the candidate or his

- or her opponent's qualifications for elective office.
- Solicitation of contributions to the candidate or to third persons for use in support of the candidate or in opposition to his or her opponent.
- Arranging, coordinating, developing, writing, distributing, preparing, or planning of any election-related communication or activity.
- Recruiting or coordinating campaign activities of campaign volunteers on behalf of the candidate.
- Preparing campaign budgets.
- Preparing campaign finance disclosure statements.
- Communications directed to voters or potential voters as part of activities encouraging or assisting persons to vote if the communication contains express advocacy for the nomination or election of the candidate or the defeat of his or her opponent.

Common Contributions

- Tickets purchased for political events such as dinners, luncheons, rallies, and similar fundraising events.
- The officeholder or candidate's own money or property.
- Discounts or rebates not generally extended to the public.
- Television, radio, or newspaper discounts or rebates not equally extended to all candidates for the same office.
- Payments made by any person for the services of another person rendered on behalf of a candidate or committee.
 However, if an individual is paid by his or her employer, those payments are not contributions unless employees spend more than 10% of their compensated time during a calendar month working on

- behalf of an officeholder, candidate, or committee.
- Transfer of anything of value a committee receives from another committee, unless the committee pays the fair market value.

Contributions; Exceptions

- A home or office meeting or fundraising event held in an occupant's home or office, if the total costs for the meeting or event are \$500 or less. If more than \$500 is spent, the total amount is a contribution.
- Any individual's volunteered personal services or payments for his or her own travel expenses if the payments are made voluntarily and without any understanding or agreement that the individual will be repaid or reimbursed.
- A candidate's personal funds used to pay a filing fee for a declaration of candidacy or a candidate statement prepared pursuant to Section 13307 of the Elections Code.
- Certain payments made principally for legislative, governmental, or charitable purposes (co-sponsored events) unrelated to a candidate's candidacy for elective office.
- Gifts made principally for personal purposes unrelated to a candidate's candidacy for elective office.
- An expenditure by a political party or a
 political committee that is made at the
 behest of a candidate or officeholder if the
 expenditure is made in connection with
 voter registration activities and does not
 clearly identify or expressly advocate the
 election or defeat of any candidate for
 elective office.
- A payment made at the behest of a candidate for a communication that does not expressly advocate for the candidate; does not refer to the candidate's candidacy for elective office, the

- candidate's election campaign, or the candidate's or his or her opponent's qualifications for office; and does not solicit contributions to assist in the candidate's campaign.
- A payment made by a candidate or committee for another candidate to attend the paying candidate or committee's fundraiser.
- A payment made by a candidate to let voters know that another candidate has endorsed him or her, except that no express advocacy may be made on behalf of the endorsing candidate, or opposition to his or her opponent. (See Chapter 3 for the definition of "express advocacy.")
- A payment made by a ballot measure committee telling the voters which candidates support or oppose the ballot measure, as long as there is no express advocacy on behalf of the endorsing candidate, or opposition to his or her opponent.
- Payments for a news story, commentary, or editorial by a regularly-published newspaper, magazine, or other periodical of general circulation which routinely carries news articles, and commentary of general interest.
- Payments for a news story, commentary, or editorial by a federally-regulated broadcast outlet (radio or television).
- A payment by an organization for its regularly-published newsletter or periodical, if the circulation is limited to the organization's members, employees, shareholders, or other affiliated individuals, and those who request or purchase the publication. This regulatory exception has been largely subsumed by a broader statutory provision concerning communications by an organization to its members (See Member Communications, below).

- A payment for a debate or other forum sponsored by a nonpartisan organization in which at least two candidates appearing on the ballot for the same elective office are invited to participate.
- A payment for a debate or other forum in which the proponent of a ballot measure and at least one opponent, or their respective representatives, are invited to participate in equal numbers.
- A payment for a debate or other forum sponsored by a political party or affiliated committee in which a majority of the candidates for that party's nomination are invited to participate.
- A payment made by a bona fide service, social, business, trade, union, or professional organization or group for reasonable overhead expenses associated with the organization's regularly-scheduled meeting at which a candidate or an individual representing either side of a ballot measure speaks, if the organization pays no additional costs in connection with the speaker's attendance.
- A payment made by a candidate for a communication in support of or opposition to a ballot measure, if the communication features the endorsing candidate or clearly identifies him or her as the sponsor of the communication. This exception does not include a monetary contribution from a candidate or his or her controlled committee to a ballot measure committee.
- A payment by a sponsoring organization for the establishment and administration of a sponsored committee, provided such payments are reported. Any monetary payment made to the sponsored committee shall be made by separate instrument. "Establishment and administration" means the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, and other

- expenses incurred in setting up and running a sponsored committee.
- When a candidate requests that someone else make a contribution to another candidate or committee not controlled by the candidate making the request, a contribution has not been made to the candidate making the request.
- Payments for communications to members, employees, shareholders, or families of members, employees, or shareholders of an organization for the purpose of supporting or opposing a candidate or a ballot measure, provided these payments are not made for general public advertising, such as broadcasting, billboards, and newspaper advertisements. However, such payments are reportable if made by an existing committee (e.g., an organization's sponsored committee). In addition, political party committees must report payments for communications to their members in the same manner as contributions and independent expenditures.

Controlled Committee

(Section 82016)

If an officeholder, candidate, or state measure proponent exerts significant influence on the actions or decisions of a recipient committee, he or she controls the committee. In almost all cases, officeholders or candidates control the primary committee that is set up to support their officeholder or candidacy status. Committees can even be controlled indirectly through agents of candidates and officeholders.

Elective Office

(Section 82023)

Any state, regional, county, municipal, district, or judicial office that is filled at an election. Although membership on a county

central committee of a qualified political party is considered an elective office, alternate members of county central committees and chairpersons of Assembly district committees are not subject to the Act's disclosure requirements. Those appointed to an elective office, however, are subject to the Act. Membership on the Board of Administration of the Public Employees Retirement System is also an elective office.

Independent Expenditure

(Section 82031)

"Independent expenditure" means an expenditure made by any person in connection with a communication which expressly advocates the election or defeat of a clearly-identified candidate or the qualification, passage, or defeat of a clearly-identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election but which is not made to or at the behest of the affected candidate or committee.

Person

(Section 82047)

An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert.

Primarily Formed Committee

(Section 82047.5)

A recipient committee that is formed or exists primarily to support or oppose:

- (a) A single candidate; or
- (b) A single measure; or
- (c) A group of specific candidates being voted upon in the same city, county, or multicounty election; or

(d) Two or more measures being voted upon in the same city, county, multicounty, or state election.

Also see the definition of "controlled committee," above. A primarily formed committee is one that is not controlled by the candidate or officeholder the committee supports.

Appendix 2 About the Political Reform Act How to Get Help

The Political Reform Act of 1974

The Political Reform Act (the "Act") was a voter-approved initiative on the 1974 primary election ballot. One of the major provisions of the Act requires the disclosure of campaign contributions and expenditures during elections.

The Fair Political Practices Commission

The Fair Political Practices Commission is the independent, nonpartisan state agency authorized to implement, interpret, and enforce the provisions of the Political Reform Act. The Commission is comprised of a full-time chair appointed by the Governor, and four part-time commissioners, one each appointed by the Controller, the Attorney General, the Secretary of State, and the Governor. Each serves a four-year term and no more than three members may be from the same political party. Commission staff members are divided into four divisions: Administration, Enforcement, Legal, and Technical Assistance.

Governing Statutes

The Political Reform Act is contained in Government Code Sections 81000-91014.

Regulations

Regulations interpreting the Political Reform Act are located at Title 2, Division 6 of the California Code of Regulations, beginning at Section 18109.

Opinions and Advice Letters

The Commission periodically issues opinions interpreting provisions of the Political Reform

Act. The opinions are adopted at a public meeting, with opportunity for input from interested persons.

In addition, FPPC staff issues written advice letters as to the applicability of the Political Reform Act and regulations to a particular factual situation. See the FPPC publication "How Do I Get Advice From the FPPC?" available on our website.

FPPC staff does not provide advice by e-mail.

Obtaining Information from the FPPC

Write, call, or visit the FPPC to get copies of specific advice letters or to be put on our mailing lists.

Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, CA 95814 (916) 322-5660 – Toll-free (866) 275-3772

Website

The Commission's website (www.fppc.ca.gov) contains a wealth of helpful information, including:

- The Political Reform Act and its corresponding regulations
- Commission opinions
- Notices of Commission meeting dates and agenda, supporting documentation for agenda items, and meeting summaries
- Forms required by the Act (also available at the FPPC's offices, the Secretary of State's offices, and many local clerks' offices)

- Manuals, fact sheets, and useful summaries of the law
- Schedules of upcoming seminars and educational workshops

Additional Campaign Manuals

Additional copies of this manual, and manuals for other types of campaign committees are available from the Commission, the Secretary of State, and many city clerks or county registrars.

Manuals are available for:

- State Candidates and officeholders, and committees primarily formed to support/ oppose candidates
- Local Candidates and officeholders, and committees primarily formed to support/ oppose candidates
- General purpose recipient committees (including PACs, sponsored committees, political party committees, and county central committees)
- Ballot measure committees
- Major donor and independent expenditure committees
- · Slate mailer organizations

Commission Bulletin

The Commission publishes a free bulletin. Information regarding enforcement cases, legislation and litigation updates, workshop announcements, educational articles, and advice letter summaries are regularly included. Persons interested in obtaining the Bulletin may contact the Commission to be placed on the email Bulletin mailing list by going to the "Mailing Lists" page of the FPPC website at www.fppc.ca.gov.

Computer Generated Statements

Interactive campaign forms may be found at the Commission's website at www.fppc.ca.gov. In lieu of using official FPPC forms, candidates and committees may produce their own computer-generated form using FPPC's format.

If filers choose to produce their own form, they must obtain Commission approval before it may be filed. Approval will be granted on forms that contain all of the required information in a format substantially similar to the Commission's forms. If substantive changes are made to a previously-approved form, the amended form should be submitted for approval. Also, each January, the Commission should be contacted to determine if there have been changes to the disclosure statements that may require changes to computerized forms.

In addition, the Commission maintains a list of commercial software vendors who have received Commission approval for their software packages. Contact the Commission if you are interested in obtaining this list. The list is also available on the Commission's website (www.fppc.ca.gov).

Local candidates are not required to file campaign statements electronically unless they are running for state office. However, some local jurisdictions require electronic filing. Check with your local filing officer.

Need Help Fast?

Assistance may be obtained regarding filing requirements, forms, or an upcoming issue by calling the Commission's Technical Assistance Division at (916) 322-5660, or toll-free at (866) 275-3772, ext. 2.

For even more information! The Commission periodically conducts educational workshops on various topics. Contact the Technical Assistance Division or the website to see if a workshop is coming to your area.

Obtaining Information Elsewhere

A subscription for regulations is available from:

Barclay's Law Publishing P.O. Box 3066 South San Francisco, CA 94083 (800) 888-3600

Opinions and advice letters are available from these subscription services:

Westlaw (800) 328-9352 Database: "CA-ETH" (Advice letters from 1986 to present)

Lexis-Nexis (800) 227-9597
Database: "CA Fair Political Practices
Commission"
(Advice letters from 1990 to present)

Other Resources

The Secretary of State, city clerks, and county clerks or registrars of voters are the filing officers for campaign disclosure statements. Committee statements will be filed with the Secretary of State or a local clerk or registrar depending on whether the filer is a state candidate, a candidate running for local election, or a state or local committee.

Secretary of State

The Secretary of State is also responsible for issuing campaign committee identification numbers. Contact that office regarding the availability and processing of ID numbers. (916) 653-6224 (916) 653-5045 fax www.sos.ca.gov

Federal Election Commission

The Federal Election Commission answers questions regarding federal elections and contributions to all candidates from national banks, national corporations, and foreign nationals.

(800) 424-9530 (located in Washington, D.C.) www.fec.gov

Franchise Tax Board

The Franchise Tax Board is responsible for responding to questions regarding tax status, tax-deductibility of political contributions, 501 (c)(3) groups, audits, or any tax-related questions. (800) 852-5711 www.ftb.ca.gov

Internal Revenue Service

The Internal Revenue Service provides assistance regarding federal tax laws and obtaining a taxpayer identification number. (877) 829-5500 (located in Washington, D.C.) (800) 829-3676 (taxpayer ID number) www.irs.gov

Federal Communications Commission

The Federal Communications Commission can answer questions regarding rates for purchasing broadcast time and equal access to broadcast media. (888) 225-5322 www.fcc.gov fccinfo@fcc.gov

Local Ordinances

A city or county officeholder, candidate, or committee may be subject to additional reporting or other requirements. This is because cities and counties may enact ordinances that impose additional or different disclosure requirements. For example, there may be contribution limits, lower itemization thresholds, or an additional preelection statement, just to mention a few.

A city or county campaign ordinance may never pre-empt state law. Enforcement and interpretation of a local ordinance is the responsibility of the local jurisdiction. The Commission is not empowered to give advice concerning local ordinances.

Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Government Code Sections 81000-91014 and California Code of Regulations Sections 18110-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

Manager, Filing Officer Programs 428 J Street, Suite 620 Sacramento, CA 95814 (916) 322-5660

Campaign statements are filed with the Secretary of State and city and county filing officers.

Enforcement

The Fair Political Practices Commission, the Attorney General, county district attorneys, and elected city attorneys of charter cities have enforcement authority under the Act.

Failure to provide all or any part of the information required by the Political Reform Act is a violation subject to:

- An administrative enforcement proceeding before the Fair Political Practices Commission;
- A criminal misdemeanor proceeding;
- A civil action; and
- Levying of late penalties by filing officers.

Penalties for not filing campaign statements may be imposed up to \$5,000 per violation.

Additional information on the Commission's enforcement procedures is available on the website at www.fppc.ca.gov.

State of California

Fair Political Practices Commission

How To Contact Us:

By mail:

Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, CA 95814

Internet:

www.fppc.ca.gov

By telephone:

Toll-free advice line: 1-866-ASK-FPPC (1-866-275-3772)

Regular line: 1-916-322-5660